

# **Challenges Developing Customer Orientation in Technical Oriented Organizations**

## **A Study of a Social Rich, Multifaceted and Complex Phenomenon**

PROEFSCHRIFT

ter verkrijging van de graad van doctor  
aan de Open Universiteit  
op gezag van de rector magnificus  
prof. mr. A. Oskamp  
ten overstaan van een door het  
College voor promoties ingestelde commissie  
in het openbaar te verdedigen

op vrijdag 9 november 2018 te Heerlen  
om 16.00 uur precies

door

**Jean Louis Steevensz**  
geboren op 26 mei 1960 te Eindhoven

**Promotores**

Prof. dr. N. Groot, Open Universiteit (emeritus)

Prof. dr. S.O. Johannessen, Nord University & Oslo Metropolitan University, Norway

**Co-promotor**

Prof. dr. D. MacLean, University of Glasgow, UK

**Overige leden beoordelingscommissie**

Prof. dr. R. MacIntosh, Heriot-Watt University, Edinburgh, UK

Prof. dr. R. Tuninga, Kingston University, London & Wittenborg University of Applied Sciences

Prof. dr. L.P. Dana, Open Universiteit & Montpellier Business School, France

Prof. dr. T.H. Homan, Open Universiteit

Dr. F. Simon, Zuyd Hogeschool

Dr. J. van Uden, De Haagse Hogeschool

ISBN: 9789.493.014.008 / NUR 801

© Jean Louis Steevensz, Best, The Netherlands, 2018: [jl@steevensz.net](mailto:jl@steevensz.net). All rights reserved

Cover design: Dani Steevensz – [www.visosformusos.com](http://www.visosformusos.com)

Printed by: Gildeprint – [www.gildeprint.nl](http://www.gildeprint.nl)

## Preface and Acknowledgments

Being member of the complexity group of the Open Universiteit offered me a unique experience to perform my research while staying close to my working experience, thus enabling me to investigate a question which kept me busy for quite some years. One of the reason for doing this, is that I learned that most of the literature I have been studying, deals with how organizations should function and/or look like in the future. Through my years of meditation I came to understand that the future is a concept, which doesn't exist. There is no such thing as tomorrow. There never will, because time is always now. There is only present, only an eternal now. This study does not deal with future concepts, but describes what is happening in ordinary daily organizational life, when people from different departments have to work together to serve customers.

For me it was exciting to perform research this way, because I was part of the ordinary daily organizational life and at the same time I was researcher. Despite the ongoing tension between my working life and this study, I did not needed to be pushed for my research. It felt much like Steve Jobs once said: 'the vision pulled me'.

During the years I spent on this study, many people inspired me, while I was attending workshops, academic meetings and learning sets. Of all those people I especially thank Stig Johannessen for being my 'Vej Leder', Donald MacLean for his optimistic and constructive feedback, which I experienced as a motivating factor and not the least Nol Groot for the moments of reflection at his home.

During the rare moments of relaxation, I was fortunate to meet the love of my life. Warm thanks to Marina for her ever lasting patience over the past years, especially when I told her it was time again for me to read, puzzle and write.

Having finished this thesis was a satisfying moment for me, because I achieved what I wanted to achieve. This feeling of satisfaction was strengthened when I learned that I was a source of inspiration to my valued bass guitar tutor, who adopted reflexive research for his master thesis about Studying Improvisation – a Sandole based strategy for guitar.

Jean Louis Steevensz  
Best (NL), September 2018

# Contents

<b>0. Preface and Acknowledgements</b>	<b>3</b>
<b>1. Customer Orientation Revisited – Project 1</b>	<b>9</b>
1.1. Introduction	10
1.2. Customer Orientation: Origin, Definitions and Perceived Advantages	12
1.3. Challenges to develop a Customer Oriented Practice	14
1.4. Strategic Orientations	15
1.5. Customer Orientation: experiences from my working practice	16
1.5.1. Examples of communicative interactions in an organization	20
1.5.2. Summary of my experiences	20
1.6. 'Building' a customer oriented organization	21
1.6.1. Finding my way in a research organization	22
1.6.2. Defining a process house	22
1.6.3. Handling a customer complaint	23
1.6.4. Objectives for the commercial team	24
1.6.5. Island in the organization	24
1.6.6. Reaching maturity	25
1.6.7. Reflection	26
1.7. The emergence of this thesis	27
1.8. About the research perspective used in this study	29
1.8.1. Motivating a different approach	30
1.9. Introduction to the Research Domain	31
<b>2. Adopting the Complex Responsive Process Perspective to study Customer Orientation</b>	<b>33</b>
2.1. Introduction	34
2.2. A Practitioner Oriented Approach to Study Customer Orientation	35
2.3. An Introduction to the Complex Responsive Processes Approach	37
2.4. Complexity Theory in Organizational Studies	42
2.5. Studying social practices at the inseparable intersection of structures and agents	45
2.6. The Position of the Complex Responsive Processes Approach in the academic environment	47
2.6.1. Positioning the Complex Responsive Processes Perspective	48
2.6.2. Conceptual and theoretical considerations to study human interaction	49
2.6.3. Methodological foundations of the Complex Responsive Processes Perspective	53
2.7. Performing Research from a Complex Responsive Processes Perspective	53
2.7.1. Can this type of Research be Qualified as Academic?	54
2.7.2. Reliability and Validity for this type of Practitioner Research	57
2.7.3. Ethical Issues	59

2.8. What to expect from this practitioner oriented study?	60
<b>3. From Acquiring an Order to Realization of a Project – Project 2</b>	<b>63</b>
3.1. Introduction	64
3.1.1. The challenge	64
3.1.2. Customer's expectations	65
3.2. Acquiring the order	66
3.2.1. Understanding and making sense of what happened	69
3.2.2. The sales process	70
3.2.3. Achieving a perception of Value Creation	72
3.2.4. Cooperation between the commercial and technical department	73
3.2.5. The role of management	74
3.2.6. Exploring the relevance of the complex responsive processes approach	75
3.3. The Feasibility Phase	77
3.3.1. Realizing the conceptual design	79
3.3.2. Themes for reflection	85
3.3.3. Customer orientation within the project team	86
3.4. Findings and Research Implications	89
3.4.1. Studying customer orientation from a complex responsive processes perspective	90
3.4.2. The relationship between planning and intentions	91
3.4.3. Customer orientation: unlocking new venues for exploration	92
3.4.4. Related themes and next steps	95
<b>4. Customer Orientation: From Commercial Perspective a Beauty, but Socially a Beast - Project 3</b>	<b>99</b>
4.1. Introduction	100
4.1.1. Conversation as the basis for human interaction	100
4.2. Challenges to uphold a customer oriented practice	101
4.2.1. Summary after the start of the development project	103
4.2.2. What happened to Customer Orientation?	104
4.2.3. Anxiety about fulfilling the customer's demands	106
4.2.4. Delivering the first samples of the product	109
4.2.5. Involvement of management to keep the project on track	112
4.2.6. Customer contact	113
4.2.7. My resignation	114
4.2.8. Preparation of a visit to the customer	114
4.2.9. Meeting the customer again	116
4.2.10. The final stage of the development	116
4.3. Reflection	119
4.3.1. My role	119

4.3.2. Lifelong learning	120
4.3.3. No more mentors	121
4.4. Findings and Topics for further Research	122
4.4.1. Managing a team of professionals	126
4.4.2. Working Customer Oriented: How difficult can it be?	127
4.4.3. Further research	129
<b>5. Acquiring a Project at a New Customer while working in an International Technical and Multi-Cultural Environment - Project 4</b>	<b>131</b>
5.1. Introduction	132
5.2. Acquiring an order while working for a company with an established brand name	133
5.2.1. Handling a request from a customer	134
5.2.2. Delivering a first prototype	136
5.2.3. Losing the project	138
5.2.4. Revival of the project	139
5.2.5. Getting the order	140
5.3. Reflection	143
5.3.1. Reflection on the sales cycle	143
5.3.2. Experiences of working for this particular Japanese company	144
5.3.3. The role and influence of my superior manager	147
5.3.4. Working in a multi-cultural environment	150
5.4. Pushing Products or acting Customer Oriented?	154
5.4.1. About Customer Orientation in this particular Japanese Organization	154
5.4.2. Alleged Advantages of Japanese Management	156
5.4.3. Customer Orientation from Managers	160
<b>6. Customer Orientation: A Social, Rich and Complex Phenomenon – A Reflexive Perspective</b>	<b>161</b>
6.1. Moving away from my taken for granted assumptions	162
6.2. The rigour of this research	164
6.2.1. About Validity and Reliability	167
6.2.2. Narratives as a key element for his study	169
6.3. Movement of thought	171
6.3.1. Discovering a gold nugget	172
6.3.2. Dealing with an unsatisfied customer – a recurring experience	175
6.3.3. Acting as a boundary spanner	180
6.3.4. Customer Orientation a Cult Value?	185
6.3.5. Reflecting on the Research Question	187

6.4. The Role, Influence and Power of Management	188
6.4.1. The illusion of control	193
6.4.2. Personal experiences as manager	194
6.5. Concluding Remarks	195
6.6. Suggestions for further research	199
<b>References</b>	202
<b>Summary English</b>	211
<b>Nederlandse Samenvatting</b>	219

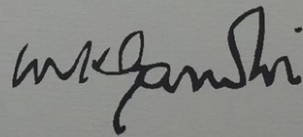
## **Figures**

3.1.a. Work packages belonging to the feasibility phase	78
3.1.b. Work packages belonging to the feasibility phase (cont'd)	78
3.1.c. Deliverables of the feasibility phase	79
3.2. Example of the introduced traffic light approach	83
4.1. Product Creation Proces: the different project phases	102
5.1. Lewis (2005) model of cultural communication	151

## **Tables**

1.1. Struture of this thesis	32
2.1. Different perspectives on validity, based on Sparkes (2001)	58
3.1. Comparison of established customer orientation literature with the complex responsive processes approach	93-95
4.1. Matrix indicating the degree of customer orientation	111
4.2. Comparison of established customer orientation literature with the complex responsive processes approach, extended with illustrations from the narrative	122-124

*"A customer is the most important visitor on our premises.  
He is not dependent on us. We are dependent on him.  
He is not an interruption of our work, He is the purpose of it.  
He is not an outsider of our business. He is part of it.  
We are not doing him a favour by serving him.  
He is doing us a favour by giving us the opportunity to do so."*

A handwritten signature in black ink, reading "M. Gandhi". The signature is fluid and cursive, with the first letter 'M' being large and prominent.

*Mahatma Gandhi, quote 1890*



# **Chapter 1**

## **Customer Orientation Revisited**

### **Project 1**

## 1.1. Introduction

Both from literature as well as from my own experiences, it becomes clear that it is difficult to develop customer oriented thinking throughout an organization. Over the years I began to realize that at different companies I worked for, similar problems occurred when acquiring and realizing projects for customers. Thus I started to develop the idea to investigate what is really happening here? This study presents a sense making exploration of prerequisites and obstacles for a customer oriented practice, where a perspective is used that acknowledges customer orientation as a social, rich, multifaceted and complex phenomenon. Such a perspective amounts to a process-oriented account of organizational life that emphasizes the local and interactional level as well as the social understanding of individuals. Such an approach in which temporality, change or transformation is understood may produce insights in what really is happening in organizations.

In this thesis I draw on my own personal (working) experiences. The focus of this study is towards an understanding in action, which is quite distinct from the kind of cognitive and intellectual understanding that dominates organizational studies. Based on narrative inquiries, the objective is to convey an understanding of my working experience. To achieve this, I will investigate emergent patterns of communication between people who are working in different departments of an organization and who have to fulfill customer requirements, while at the same time I pay attention to my own role in these proceedings. To explore the meaning I am making of my working experience, I am reflecting on my working practice. This reflection process is located in a broader discourse of management theory, specifically related to literature about customer orientation. This includes investigating business relationships with customers as well as the role of (senior) management.

The Open Universiteit in the Netherlands (OU-NL) offered me an interesting possibility to perform research while staying close to my working experience. This university enabled the initiative for a complexity PhD Program based on the experiences of the Doctorate Research Program of the University of Hertfordshire (UK), where each participant on the program is required to start the process with a reflexive inquiry of the major events and ideas, which have led them to think and work in the ways in which they now find themselves thinking and working (Groot, 2016). This first chapter describes the result of my exploration, my work related background as well as my academic life motivation and how the idea of my topic for this thesis emerged. Once understood, it will be easier for the reader to place this study in the context of my personal development as a practitioner over the past 35 years.

Prior to this exploration I describe shortly my role in working life as well as give a general introduction to customer orientation (sections 1.2-1.4).

In my daily working life I am a sales professional who works and has worked for companies, which operate in a technical oriented business-to-business environment. These companies are characterized by a working environment where people from the sales department, the engineering department and from supply chain management have to work closely together to fulfill the requirements of a customer. From the customer side people from purchasing and engineering are involved and sometimes management as well. In marketing terms I always have to deal with a decision-making unit (DMU). My primary job is to acquire projects at customers. Such projects comprise development work for a product or a subassembly (a specific part of a product or machine) and production of that product or subassembly.

The kind of sales process I am involved in, can be characterized by a long sales cycle and require a tenacious attitude, as well as drive and energy to stay optimistic about the achievement of results. Such a type of sales process comprises certain steps. It all starts with establishing a first contact with a (potential) customer. This contact can be the result from targeted acquisition (cold calling), or for example a meeting at an exhibition or on a network event; it can also be an existing customer who has a new project request.

During a first contact I present the company I work for and I focus on our (possible) added value for this potential customer. I do this by asking questions and listening. When the customer understands how we can be of help, I receive a functional specification or a conceptual idea or just a problem description with the request to prepare a proposal. This information I share with my colleagues from the technical department who investigate if we have enough technical expertise to develop a solution. If this is the case, I can prepare a commercial proposal, which is based on the information I receive from the technical department. Before submitting a proposal to the customer I discuss the commercial proposal with my superior manager and the key persons involved from the organization I work for.

When the order is granted, generally I experienced that the people involved in preparing the winning proposal appreciate this. Winning an order feels like a team effort. However during realization of the project, more than once it happened during my working career that the customer was not satisfied with the outcome or even threatened to terminate the project, often because the initial agreed budget was exceeded.

In the process of working on a customers' request, participants involved from the different departments interact with each other and according to my observation and experience individual motives and reactions on each other are leading, rather than a customer centric orientation. To me it seems as if each department is a fortress in the organization and each of these fortresses has its own objectives.

After an order has been acquired, often project teams are formed whose participants have to create the solutions. In my role as a sales person I am never part of such a project team. I am intertwined with internal (e.g. project team, technical department) and external stakeholders (customers), each of which influences the outcome of my work. My work is not a single and separated function but an integral and essential part of the broader company activity, processes and practice. In this role I am the central point of communication with the customer. After all these years of serving customers I am still amazed why it seems to take so much effort aligning persons from different departments in an organization, to consider the requirements of customers important in the work we do.

## **1.2. Customer Orientation: Origin, Definitions and Perceived Advantages**

The whole body of literature linking employee customer oriented attitudes with desirable customer outcomes can be seen as support to the argument that customer orientation matters to organizations (Liao and Subramony, 2008). Schlosser and McNaughton (2007), Cadogan, Souchon and Procter (2008), Chesbrough and Garman (2009) all state that a fundamental requirement for companies with the objective to increase profitability, is an integrated and customer centric orientation. Empirical evidence indicates that firms displaying market-oriented activity typically outperform their less market oriented rivals on a wide variety of performance indicators (Cadogan, Souchon and Procter, 2008).

According to Saarvijärvi, Neilimo and Närvänen (2014) the core characteristics of customer orientation entail excellence in customer interactions, being familiar with market and customers and emphasizing cooperation. They mention two main benefits that derive from customer orientation, which are relevant for this study: a greater likelihood of creating sustainable competitive advantage and the development of a distinctive and often difficult to imitate set of expertise. In chapter 3 we will see that these (perceived) advantages were the reason to pursue a customer-oriented strategy.

The notion of putting the customer first is often traced back to Drucker's (1954) statement that the purpose of a firm is to acquire and keep customers (Berthon, Hulbert and Pitt, 2002). The marketing concept holds that "the key to achieving organizational goals consists in determining the needs and wants of target markets and delivering the requirements more effectively and efficiently than competitors" (Kotler, 1988).

Narver and Slater (1990) stated that customer orientation is the sufficient understanding of one's target markets to be able to create superior value for them. They argue that customer orientation and competitor orientation include all of the activities involved in acquiring information about buyers and competitors in target markets and disseminating this information throughout the organization.

Desphande, Farley and Webster (1993) define customer orientation as a set of beliefs that puts the customer's interest first, while not excluding those of all other stakeholders such as owners, manager and employees, in order to develop a long-term profitable enterprise.

Shah, Rust, Parsuarma and Staelin (2006) define a customer centric orientation as aligning the activities and resources of an organization to effectively search for and respond to the ever-changing needs of the customer, while building mutually beneficial relationships.

Gebauer, Gustafsson and Witell (2011) state that customer orientation, combined with innovativeness, embedded in market orientation favors ideas that more accurately satisfy the increasing complexity of customer demands.

The marketing concept states that if a business is to achieve profitability, the entire organization must be oriented towards satisfying customers' needs, wants and aspirations (Blankson, Motwani and Levenburg, 2006). This requires employees who embrace the importance of understanding and addressing customer needs and to align their everyday efforts with the ultimate goal of satisfying and retaining end-customers (Liao and Subramony, 2008).

Established literature concentrates on behavioral aspects of employees, who have customer contacts. The behavioral perspective's origins are described in the work of Saxe and Weitz (1982), who defined customer orientation as the manifestation of the marketing concept at the individual worker level. They defined customer orientation as the willingness of individuals, to customize their service delivery according to the customer's situation (e.g. needs, problems).

Beverland and Lindgreen (2007) argue that unless a certain attitude towards the marketing concept exists, behavioral initiatives towards a customer centric orientation will never emerge nor will these be effective. Matsuno, Mentzer and Rentz (2005) found that even if a promoting environment exists, corresponding behavior of employees does not necessarily take place. As explained in the introduction of this chapter, I have to cooperate in my working environment with e.g. engineers, purchasers and/or projectmanagers. For them serving customers is not a primary objective. However in marketing literature it is recognized that all employees of an organization have a role of internal customers.

According to Gummesson (1990), many employees of a company influence customer relations, customer satisfaction and customer perceived quality, as well as revenue, even without realizing it. Conduit and Mavando (2001) state that every employee is both a supplier and a customer to other employees in the organization. They argue that internal customers generate goods and services for the end customers and are thus crucial to providing customer satisfaction. If a company wants to succeed in tailoring its offerings to match the needs of customers (Tuominen, Rajala and Möller, 2004), it has to integrate market and customer knowledge with their own operational flexibility in a superior way (Treacy and Wiersema, 1995). In my practice of working as a sales person in a technical environment, this means that I have to work closely together with engineers and people from supply chain management to fulfill the requirements of a customer.

In this study sales strategy decisions will be considered. According to Terho, Eggert, Haas and Ulaga (2015) the main difference between a firm's sales strategy and its marketing strategy is that sales strategy decisions pertain to how the firm relates to and interacts with individual customers within a market segment, whereas a marketing strategy has a broader market-level focus.

### **1.3. Challenges to Develop a Customer Oriented Practice**

While a customer oriented thinking would appear to be at the core of market orientation, the organization's views have dominated the development of market orientation constructs (Chen and Quester, 2009). For example Narver, Slater and Tietje (1998) suggest that to implement customer orientation, companies can follow a programmatic approach, where the norm of continuously creating superior customer value is implanted in the organization from inside.

Shah et al. (2006) claim that a customer centric orientation can be improved by shaping up the structure, culture, processes and metrics of an organization. Bonacchi and Perego (2011) postulate in their case study a customer centric strategy with a corresponding organizational architecture.

All these authors use the term customer centricity to refer to an organization's customer focus. According to Shah et al. (2006) the customer centricity approach focuses on customer segment centers, customer relationship managers and sales teams for customer segments.

Kennedy, Coolsby and Arnould (2003) followed in real time a transformation process towards a customer centric orientation, which was guided by marketing orientation literature. The purpose of their study was to gain an understanding how in an organization a customer focused orientation is created and implemented. This resulted in empirical insights, which are not easily found via case studies, surveys or interviews. They found that a customer orientation prospers and becomes self-reinforcing when collected customer focused data are widely disseminated within the organization and become a shared organization-wide platform from which decisions are made. Kennedy, Coolsby and Arnould (2003) also found that work processes throughout the entire organization should be designed in such a way that these add value to a customer.

The preceding discussion indicates that on the one hand employees should have an attitude towards customer orientation and at the same time organizational processes should be in place, all with the objective to create value for a customer. Still this is not a guarantee that there will be a customer-orientated focus in an organization. According to Gummesson (2008) these strategies have been addressed for a long time and they remain what he calls 'a chronic headache'. This is confirmed by my working experience, where more than once everything around a customer seemed to be organized well and still many unexpected things happened. One should expect however customer orientation to appear at the core of market orientation: acquiring and maintaining customers.

## **1.4. Strategic Orientations**

A customer centric or market orientation is not the only viable strategic orientation of a company. Noble, Sinha and Kumar (2002) state that many successful firms have followed a production orientation, which is based on the belief that production efficiencies, cost minimization and mass distribution can be used effectively to deliver quality goods and services to customers at attractive prices. Another strategic orientation they refer to is a selling orientation, which is based on the view that customers will purchase more goods and services if aggressive sales and advertising methods are employed. This approach emphasizes short-term sales maximization over long-term relationship building. Galbraith (2005) adds product centrality as a strategic orientation. He defines a product-centric company as one that tries to find as many customers as possible for its products. According to Gummesson (1990) production orientation and product orientation have been put up as its opposites with sales orientation in between.

The discussion about strategic orientation is relevant for this study because in the chapters 3 and 4 I will describe a change process from production orientation towards customer orientation. In Chapter 5 a study is performed at a company that follows a product centric orientation or even a sales orientation.

### **1.5. Customer Orientation: experiences from my working practice**

In the following sections I performed an exploration of the major events and ideas, which have led me to think and work in the ways in which I now find myself thinking and working. The type of research I undertook requires this, as will become clear in chapter 2.

My first job after graduation was at a Healthcare company where I became responsible for installing diagnostic imaging systems in hospitals that were located everywhere around the world. These imaging systems were used to diagnose patients and find diseases like for example cancer in an early stage.

One of the reason for choosing this job was the broad range of high technology involved in such systems: from super conductive magnets to high speed minicomputer mainframes and complex electronics. In addition I liked the idea of serving a good purpose.

I learned that I could easily handle the technical problems related to such complicated installations. I had more difficulties to handle logistical issues, such as when parts broke or failed or when an installation crew was delayed due to planning issues.

As I was responsible for the installations I was the one who had to inform the customer about the consequences, mostly meaning a delay in installation time. Already early in my working career I learned how to deal with customers who were not satisfied. For example when I arrived at a customer site and I found out that equipment was missing. It took me quite some effort to convince my colleagues that we were really missing equipment. It seemed to me as if they did not believe me. After a while I received a message that the equipment was found in the shipping department of our company.

Another example is when I learned that the sales department sold a diagnostic system with an extra technical feature. This particular configuration was however not yet released for production. Only shortly before I left to install the system, I was informed about this and I knew that I had to face yet another difficult discussion with the customer.

I was amazed when I experienced situations as described above and wondered why it seems to take so much effort aligning different persons from different departments within an organization to serve customers.



Being responsible for the installation at a customer's site and being a representative of the company I worked for, I learned to speak to customers in difficult situations. My colleagues noticed that and made the suggestion to continue my career in a commercial direction. After three years travelling around the globe from hospital to hospital I considered it was time to make a next step in my working career. After an orientation phase at commercial functions I got the impression that advancing my career in a commercial direction, combined with my technical background, would bring me up faster to a management level. At the age of 26, my ambitions were high. At this age my view of an organization was that once being a manager I could control part of an organization and thus in a position to be able to change things within an organization.

A commercial function in a medical environment was not feasible as I lacked a medical background. So I changed to the world of test and measurement equipment and became a product manager, where I reported to a marketing manager who taught me the importance of customers. I learned that communicating with customers creates obligations and this implies that agreements and appointments with customers are to be kept. Furthermore I was taught that a customer pays for our services and/or products and so enables us as supplier to earn money. I learned to treat a customer accordingly. After my many years of commercial experience I still work according to these guidelines. These became part of my identity.

To strengthen my theoretical basis in the field of sales and marketing, I followed during the years 1986-1991 various courses in the field of marketing, product management and sales management.

After 5 years of doing market research, defining new products and giving operational support to salespersons I decided to continue my career within sales. I wanted to know what it would be like to work under the pressure of realizing a certain sales volume. Another motivation for moving to sales was again my ambition: to grow in commercial management I considered it as mandatory to have real sales experience.

So in September 1991 I moved with my family to Germany where an interesting sales position was open at the company I was working for. This job offered me a chance to learn the art of selling in a business-to-business environment. The guidelines for serving customers I had learned previously and which became part of my identity, were even stressed further during the time I worked in Germany.

I steadily made career in the German technical commercial sales environment, however career possibilities were limited and after a number of years of working and living in Germany I returned to The Netherlands.

In 1998 I was appointed business unit director, a function where I was both commercially and technically responsible for systems, controlling surface and sewer

water. Our customers, municipalities and water treatment companies, were extremely unhappy; they were satisfied with the quality of our products, but were very unhappy with the delivery performance of the company I worked for.

For the first time in my career I was in a position to change this. The people within my group were all doing their work, but seemed to lack motivation or drive. To me it looked liked apathy and as if they were running around in a circle. Most of the employees recognized and reported problems in their field of work, however apparently in the past these remarks were ignored. A pattern that I noticed was that people were complaining to each other in an organizational context that is not visible on organizational charts. According to Homan (2005) this is common practice in organizations.

One simple remedy worked: ask the employees what problems they face and how they would solve them (allow them to take responsibility) and check also which barriers they are confronted with, which are out of their own circle of control. As a manager, take these barriers away. This resulted in a change of attitude, ideas emerged in normal daily practice, employees became motivated, there was team spirit and above all we were rewarded with new orders from our customers.

My job as a business unit director was very demanding. I travelled a lot to our customers to ask their patience that we were working hard to improve our performance. Also I had many internal meetings to coach the employees and I had to explain to my superior manager what I was doing to improve (financial) results.

A year after I was appointed to business unit director I often felt tired and several times I was ill. Later that year it turned out that I suffered serious health problems. For more than one year I was unable to work.

After full recovery I decided to quit this managerial role and take on a less demanding job. Via my personal network I found a job as a sales person for a company located in Belgium. My office was located close to where I lived and I visited the head office in Belgium only every two weeks. I knew this company from a past working experience.

This company was developing and manufacturing telecom equipment as an Original Equipment Manufacturer (OEM). This means that the company does not carry an own brand. Development of products was done exclusively based on specific customer requirements and revenues were mainly made through producing the developed products.

The level of the technical solutions we were providing to our customers amazed me. And above all customers were always treated with respect, with the entire management team being involved in customer contacts. But in spite of this customer oriented attitude the delivery performance was poor. For me it was very difficult to understand how this was possible. The nature of this company was being an OEM supplier and this meant many custom designs products were developed, which all needed to be manufactured. For

production this meant a lot of different products in relative small series and apparently this was a complex task for the entire supply chain.

I cannot recall however a situation that a major customer confronted with a poor delivery performance switched from supplier. There was a high degree of interdependency: we made the design for the customer possible and were prepared to produce (often) in small quantities. So for a customer the cost of changing supplier were high.

After more than five years in this role and being tired of all the difficult discussions with customers regarding our delivery performance and the corresponding internal discussions, I accepted again a sales management role in a Dutch electronic manufacturing company. This company was specialized in design and manufacturing of cabling systems. Like in my previous job the nature of this company was an OEM supplier.

The cabling systems were manufactured in small to medium production series, but with a high flexibility in the supply chain. Among our customers were a successful Dutch lithography equipment company and a well-known Dutch medical company.

Despite logistic forecasting models many of the deliveries to customers were too late, or lacked sufficient quality. The problems with these two key accounts often escalated to the upper management level and were mostly solved at cost of our profit.

Customers considered the agreements about forecasting and delivery schedules as very important, because they needed our products to be able to finish their own equipment. In case the agreed delivery time cannot be met, our customers expect pro-active communication about changes in for example the agreed delivery schedule. A complaint that we often heard from our key customers was that we too often informed them too late about changes in planned deliveries.

Customers like to see representatives on a regular basis, in order to deal swiftly with operational issues and new challenges. Our key customers considered us however as too internally oriented. Sales persons had to spent considerable time chasing people within their own organization to meet customer requirements.

Key customers also expected more added value. In their view we only assembled cables according to a design made by the customer. We were however considered to be specialist in the area of cabling systems and customers were outsourcing part of their supply chain to us. A pro-active attitude to think with the customer to search for specific application oriented solutions was expected. Our focus was indeed too much on improving the quality of our production process.

#### 1.5.1. Examples of communicative interactions in an organization

A pattern that I noticed was a leisure attitude of our managing director towards the problems. Remarks like: "I am fed up with this customer..." or "They should be glad to receive our products..." were also noticed by subordinates.

Remarks from managers have impact on the employees in the organization. According to Kleiner (2003) even subtle remarks or gestures can trigger huge chains of reactions from employees in organizations.

I felt I was unable to convince my colleague members of the management team that the mentioned feedback from customers, as mentioned in the previous paragraph, could be used as input for improvement of the organization. It seemed to me as if my colleagues were too busy solving the problems only within their own department, instead of focusing on an overall customer oriented approach, which might have been a key to improving profits. Instead solutions consisted of improving ways of working and organizational process changes, within each department. But to me it seemed as if the organization as a whole was dysfunctional. The delivery and quality problems were still not solved and the sales department was the one department where all the problems came together.

Reflecting on this period, this situation looks to me like 'island culture' as described by Homan (2006). He defines islands as informal networks within an organization. Ideas stay on an island and do not reach the rest of the organization. Homan also visualizes this by the using a metaphor of petri dishes. Ideas flow around between different dishes comprising different islands in an organization. He states that something new will happen, only if it is possible to make new connections between dishes located at different islands.

Besides my interactions with my colleagues from the management team, there were also the many interactions with employees of the engineering and the production-planning department. Reflecting on these interactions I noticed that the persons responsible for production planning were operating their ERP system like robots; putting numbers in and expecting products coming out, as if nobody seemed to care that within production, humans are responsible for making the products. These technical interfaces are part of a pattern of how people from different departments interact with each other. In this particular situation the actual production facility was located in Eastern Europe. Despite the distance I wondered why employees did not seek personal contact more often, similar to what is expected from me in my role as a sales person.

#### 1.5.2. Summary of my experiences

During the previous working periods I often felt as if I was literally fighting with people from the internal organization to realize agreements, which were made with customers. My personal involvement on different operational levels in the organizations I worked for, I considered a necessity to serve customers. Usually when I explained the reason of my

interference I received help from the people whom I involved.

The past fifteen years that I worked for various technical oriented companies, issues about serving customers seem to be similar in each of the companies I worked for. More and more I started to question myself why it is so difficult to develop and maintain a customer-oriented attitude?

## **1.6. 'Building' a customer oriented organization**

As explained in section 1.3 the adoption of a customer oriented attitude has been discussed for many years in a stream of books and papers. It is often a key issue in a company turnaround, as will be described in this section, where I experienced such turnaround.

During a period of three and a half years, I was responsible for business creation (sales) at a research organization. The objective was to sell research services and expertise to facilitate innovation and create a value network for high tech organizations in the domains of material analysis, nano-technology and electronic systems. Selling knowledge about how to innovate was our main business proposal. For this purpose a small commercial group, comprising seven persons, was formed.

The idea for a small commercial department was management's intention that we would closely cooperate with the technical and academic members of the organization, who provided the solutions to potential customers. The total organization comprised 375 persons, divided over 3 groups and 15 departments. The background of the majority of the employees was technical or academic. These technical and academic colleagues were highly internally oriented and market competences were largely underdeveloped.

A few months before I joined this organization, an external consultancy firm performed a culture value analysis. Based on workshops, several values were identified which needed further strengthening. These values were: (1) customer insight, (2) team spirit, (3) financial awareness and (4) commercial sense.

Customer insight was defined as understanding the customer's needs and his/her internal organization better. If understanding the clients' internal situation better, new opportunities can be identified easier. Customer insight also stands for the ability to recognize different types of customers and the ability to adapt behavior accordingly. Tuominen, Rajala and Möller (2004) stated that within the customer relationship management (CRM) research, customer insight is studied and is aimed to create superior customer value by managing business relationships.

Team spirit was defined as: the organization needed to act homogeneously towards the market and synergy of knowledge between the different departments needed to be

strengthened.

Financial awareness means increasing the business discipline of the employees. They needed to become aware of the customer investment ratio and ask themselves if it is worthwhile to invest time in a particular question from a customer. Employees should thus become more aware of the value they deliver to their customers.

Commercial sense means here that employees needed to become more capable in gaining market insights and identifying opportunities and act proactively on these opportunities.

Management used the findings of this report to define objectives, to formulate a strategy for macro change and designed organizational structures and defined procedures to implement these objectives.

#### 1.6.1. Finding my way in a research organization

At the start the commercial group worked mainly as individuals. Every team member was looking for his or her role. Teamwork concentrated in the beginning on positioning the company on the market, by participating on congresses and exhibitions. The short term objective of these actions was to generate new potential sales leads.

During the first year it became clear that the challenges regarding interpersonal relation with the technical groups were big for the members of the commercial team, even though some of the technical group leaders stated they were happy with the professional commercial support.

A few months after I started I had a conflict with one of the technical group leaders. Turnover was decreasing, after which I took pro-active action and proposed a plan for short term oriented sales actions. The reaction I got was to mind my own business and not to meddle with these internal matters. I was stunned and asked help from my superior manager. His solution was to organize a meeting with all technical department heads, with the objective to manage expectations from all participants. Working relations improved somewhat after this particular meeting.

#### 1.6.2. Defining a process house

Management decided that the commercial team had to define and deploy commercial processes, which in addition were a requirement to obtain ISO-9000 certification. The ISO 9000-series are standards of the ISO institute, which determine how an organization can guarantee quality. An organization can apply for an ISO certification to prove it meets the ISO-9000 quality standard. Certification is done via an external audit.

Current practice was that every individual decided for him/herself how a quotation would look like. Also there was hardly any knowledge about payment terms, contractual issues or delivery conditions.

To define uniform processes, a team was formed comprising employees from both the commercial and technical groups as well as one person from the central Organization & Efficiency department. I considered his input very valuable as I learned a lot about in-company processes from him.

After six months the team was ready and the result was a commercial process house containing the following processes: (1) sales planning; lead generation and qualification; (2) quotation process; order acceptance; (3) customer complaint process and (4) debt sales outstanding. We qualified and received our ISO-9000 certification.

Deploying the processes within the organization was another challenge. It took the commercial team about a year to convince all technical employees to adapt these commercial guidelines. Especially the procedure concerning customer complaints resulted in sensitive reactions. Technical employees were convinced about their superior knowledge and complaints were out of question. To me it looked as if a complaint was felt as a personal attack and as a result most technical departments were hiding complaints. Even though we stressed out that a customer complaint is a learning moment for the organization.

#### 1.6.3. Handling of a customer complaint

One technical department worked for a period of three years for a customer in the defense sector. The commercial team was neither involved in the acquisition of these projects nor in the relation with the customer. Despite many discussions to get involved, technical management got away with this situation.

At first relative simple design work needed to be done, but as time went by and the first projects were realized, the requests from the customer became more and more complex. For a final and complicated design, our technical staff was not able to design a stable product.

At this stage I got involved with the customer and the project. It appeared that there were no clear agreements with the customer about specifications. Furthermore our quotations did not state the exact delivery performance and there were no minutes of meetings with the customer. I saw no other solution than to admit we were unable to solve the customers' problem. A troublesome discussion with this customer started about payments and damages. The outcome was that the customer lost faith in us. After this particular quality issue, all customer complaints were discussed once a month by the entire management team.

To answer the question why the people of this particular technical department acted this way, a deeper reflection using concepts like power and enabling constraints should have been performed. At the time I worked on this issue, I lacked knowledge and

awareness about this and so I concentrated on my role to find a solution and to make the best of the current situation.

#### 1.6.4. Objectives for the commercial team

At the start of a new calendar year, management decided that the focus for the commercial team would be on acquiring new customers. The members of the commercial team received a clear financial target from management. One of the reasons for setting this particular focus was to create awareness of the commercial professionals in the entire organization.

At the same time an external coach was hired, specifically to guide the commercial team through the sales planning process. After two months a plan was presented to management. In this plan, all commercial team members had their individual roles, but were depending on each other for the realization. The sales plan consisted out of 6 sub plans: (1) Must Haves; identified opportunity leads with a business potential greater than a certain pre-defined value; (2) an estimation for Blue Birds (unplanned customer requests); (3) a plan to generate leads in the solar market and medical market; (4) cross selling at existing customers; (5) approach of strategic customers, with whom we find collaboration in the long term useful and (6) market communication efforts supporting the sales oriented actions (including participation at pre-selected exhibitions/congresses).

The sales plan also included a fall back (emergency) scenario in case the original targets could not be met, as well as a reporting system. Progress of the sales plan was followed through a weekly lunch meeting and twice a week a morning meeting of half an hour to discuss the status and progress of the individual actions. Once a month we went for a drink with the team in our company café to celebrate successes. I had the impression that each team member was highly motivated and was committed to achieve the target.

From management we received approval for our plan and it was agreed to present the status of the plan to the management team once a month in what was called the Business Review Meeting.

In that year we managed to exceed our sales target. However, the profit lacked behind considerably. Analysis indicated that when comparing pre-calculation (quotation phase) of customer requests, with what was actually realized during the execution phase of a project, profit vanished within the technical departments.

#### 1.6.5. Islands in the organization

The working relationship for the members of the commercial team with the technical departments remained troublesome. For example during the acquisition of new customers we ran into a small and medium enterprise company who had a technical problem to solve: miniaturization of a soundcard, while at the same time improving sound quality. The intention of this potential customer was to use this particular technical



request to test our capabilities as he claimed to have sufficient money for a bigger innovation project. The technical persons involved, refused however to accept this customer request. It was qualified as too simple for the level of our research organization. For me it remains unclear why the technical people reacted in this way. Technically we could have solved this customers' initial question easily. To my understanding there was no capacity or planning issue. The commercial team explained the technical people that this was just a first question; more business was to come. Even involving upper management did not change the result; the commercial team had to say no to this customer.

To avoid situations like this in the future the commercial team started with weekly meetings of one hour with the technical groups. Objective of these meetings was to qualify the leads from customers. Things improved and situations like described above did not occur anymore.

Another acquisition effort involved the design of a medical device. After intensive technical discussions about the requirements, we acquired this project. We had however no choice but to reduce the price of our initial quotation, a decision on which commercial and technical management both agreed upon.

During realization of this project it became clear that the initial development cost as well as the planning exceeded beyond what was agreed upon. Neither the customers nor the commercial team were informed. Several internal meetings were organized to find out why this could have happened. The meetings were also used to determine required actions towards the customer to secure the relation. Prior to the start of this project, the technical specification was agreed upon, so basically all we needed to do was to design and built according to this agreed specification. An analysis of how this could have happened resulted in the following: misinterpretation of the customers' specification and adding features, which were not asked for by the customer.

One of the outcomes was that technical management started to hire project managers for such complicated projects. In a bi-weekly project meeting the status of various projects was discussed and appropriate measures could be taken pro-actively. The commercial team was informed about the progress of the individual projects.

#### 1.6.6. Reaching Maturity

After two years, general management decided to hire an interim manager for the commercial team. Until now the general manager headed the commercial team. This new manager happened to be our coach, who guided us through the sales planning process (see paragraph 1.6.4). I was enthusiastic about his appointment and I heard positive reactions from my colleagues as well. However after a few months I noticed that our new manager was not putting in practice what he had taught us during the time he was our

team coach. For example meetings chaired by our new manager were poorly prepared, while a year earlier we received clear guidelines from him –as a coach- about preparing and chairing meetings. My colleagues and I started to discuss, in trusted and confidential conversations, about the way our team was managed. According to Homan (2005) this is a common practice in organizations.

An atmosphere of resentment emerged from our team and people within the organization noticed this. My conclusion was that apparently being a coach or being a manager are two different roles.

Besides this issue, the business continued and based on the formula the previous year; again a sales plan was made. One of the outcomes of an evaluation of our very first sales plan was that the commercial team was disconnected from the technical groups. To improve the cooperation we included a sub plan called 'Fresh' customers, which were the new customers won in the previous year and a 'Wake Up' program for customers older than two years, but who did not do business with us in the previous year. For these two sub plans the technical departments were involved in the execution.

Parallel to the sales planning process a training program started, with the objective to make employees aware what customer orientation means. The content for this program was developed together with some of the technical group leaders. The training itself was outsourced to a specialized training company and was mandatory for each employee, including management. The form of the training was a role-play; employees were confronted with their behavior towards customers. The origin of this training resulted from the cultural value analysis (paragraph 1.6, page 20). This training was an attempt to change attitudes of employees.

This unique working experience ended shortly after this training when I had to leave the organization, due to a re-organization. Several research service groups were combined into one big organization and the objective became to support the speed of the own parent organization's innovation process (faster time to market). This meant that acquisition of customers outside the own research organization became less important and consequently my job disappeared.

#### 1.6.7. Reflection

In this section I described how I was actively involved in a planned change towards customer orientation, because management found an inherent need to present a consistent view of the organization to customers, meaning that the customer should be able to interact with organization in a consistent manner. It is an example of the domination of the organizational view towards customer orientation as explained by Chen and Quester (2009).

In this particular situation managers designed and installed a system, defined a set of actions, together with the corresponding control measures. From this approach I recognize elements from the strategic choice theory, as described by the influential theories of Igor Ansoff, Michael Porter, Gary Hamel and C.K. Prahalad. The essence of the strategic choice theory is what an organization becomes is decided by the strategies chosen by its dominant coalition in a rational manner. Managers analyze past results and forecast the future, and use this information to make plans to achieve certain goals. They then decide on objectives the people in an organization should follow, in order to achieve these goals. Although there was in my view, a sound plan and the steps from management looked rational to me, the objectives were never met. I experienced this as taken for granted. No one questioned why the objectives were not met. Instead plans were adapted and new objectives were defined.

Although I was appointed as a sales person, most of my working time I spent with the internal organization, simply because the workload and pressure was such that the organization demanded that from me. I experienced this as a conflict with myself – in my view a sales person is supposed to spend considerable time interacting with customers.

I considered the amount of meetings at this organization very high and it also occurred to me that problems were solved, by initiating more meetings. But did all these meetings solve the problems? I cannot recall that the problems were analyzed and reflected upon. Nor can I recall an evaluation of the agreements reached in such meetings.

There seemed to be hardly any attention to the unexpected events that occurred, mainly after having acquired customer orders and when realizing the agreements made with customers. In other companies I had experienced similar situations as described in section 1.5.

## **1.7. The emergence of this thesis**

Originally I have a technical background, but since the early start of my professional career I have had many customer encounters. I made a deliberate choice to pursue commercial functions from a career perspective, in which I gradually succeeded. Since many years I have had various commercial positions at different levels of organizations, which operate in a technical oriented environment. After all these years of serving customers I am still amazed why it seems to take so much effort aligning different persons from different departments in an organization to think and act customer oriented. For me it felt as if I was in a continuous battle with people from other departments of the organization I worked for, just to realize agreements made with customers.

In 1999, the first of a series of events happened in my personal life, which influenced my thinking and acting in the years after. After a period of serious health problems I decided for demotion and found a job, closer to home and less demanding. After a few years I experienced my work as becoming a routine and started to look for a more intellectual challenge.

In 2005 I spent considerable time on orientating for other job possibilities. After my recovery and having done a relatively easy job for a few years I wanted to explore the possibilities for a more intellectual challenge. During this orientation period I learned that I enjoy passing over knowledge and experience, even though I did not realize I was doing it already. I started to think if and how I could use this information in my working environment. For the first time I considered to pursue a career as a teacher in an academic environment.

During this orientation period I was also tested by a job agency for a management position. One of the outcomes of this assessment indicated I had certain characteristics of an academic, combining research and teaching. The feedback I received was that I had the stubbornness of an university professor. For me this was a confirmation to move into the direction of becoming a university teacher. Another confirmation followed a few years later, when a superior manager noticed my willingness to share knowledge and experience. A first step to pursue a career within an academic environment was however to obtain a university degree in management science, as this had become my working field.

In September 2005 I found a new challenging job on sales management level and almost the same time I started at university to study management science. I chose the track marketing and supply chain management, which was a logical choice for me, since I was working in sales and marketing and supply chain management fitted with my working environment (technical oriented manufacturing companies).

In April 2010 I learned about the possibility to participate in a PhD class of the Open Universiteit NL. For me this meant a chance to realize an idea I cherished ever since 2005. The timing was perfect as I was about to finish my master thesis. Doing a PhD allowed me to perform a more in-depth study to customer orientation, a topic that kept me busy for quite some years.

As my PhD project gets along I see it more and more as an opportunity to give my professional life a turn into a direction, which intrinsically motivates me.

## 1.8. About the research perspective used in this study

Prior to this PhD study I examined the effects of mentoring on the performance of market oriented behaviors. This topic emerged from a discussion with my superior manager at the time I was working in the organization described in section 1.6.

For this study market oriented behaviors were conceptualized using Homburg and Pflesser (2000) and Schlosser and McNaughton (2007) who identified customer contact and learning agility as market oriented behaviors, which allows organizations to train employees to perform (more) customer oriented. Learning agility is characterized as developing new skills and mastering new situations and mentoring could possibly stimulate this.

This study was performed as a quantitative analysis within the organization I then worked. Results of this study confirmed a finding of Matsuno, Mentzer and Rentz (2005) that customer orientation is a construct, which is difficult to measure and operationalize. A possible reason why this occurred in my study is that the concepts, which I used in my conceptual model influenced each other, meaning that factors used in the conceptual model were mathematically not fully independent. This was indicated after performing a factor analysis.

During the first year of my PhD study I searched for more independent behavioral factors that relate to the adoption of a customer oriented attitude, a finding that is supported by a study of Stock and Hoyer (2005). I worked on a research proposal where I attempted to construct a conceptual model of all relevant factors, which describe how to adopt a customer-oriented attitude. This model became too complex, as I was including all relevant factors that I experienced during my professional life in sales. To make the model suited for research I had to omit parameters, thus in my view idealizing the situation.

During this process I began to question myself, if a model can represent an organization. This change in thinking can be found in my observations of the way people are acting, which are working in technical (and operational) departments as soon as there is customer interaction involved. As we have seen, my experiences indicate that while everything around a customer seems to be organized well, many unexpected things happen. This thinking process triggered me to study customer orientation from another perspective.

The aim of many studies about customer orientation is to provide an objective description to a problem whereby the researchers are detached observers. I was looking however for a way to study customer orientation, while drawing on my personal experience as a sales professional.

Narrative studies offer a researcher an opportunity to be part of the field of research and in addition narrative analysis may take diverse forms because researchers rely on

diverse theories and epistemologies (Kohler Riessman, 2008).

Llewellyn (1999) explains that people reason, learn and persuade in two distinct modes, through stories (narration) and by numbers (calculation). In everyday life narration is privileged over calculation. Llewellyn (1999, page 224) argues that we understand our lives through narratives, narrating experiences first to ourselves - to convince others - and then to others to persuade them. In the academic community however, calculating dominates narrating for reasoning, learning and persuading.

Llewellyn (1999, page 223) further explains that narrative analysis evaluate and configure events rather than merely listing them in temporal succession. She argues that narratives give form and meaning to organizational themes and events. Narrative analysis can provide evidence of how actions produce consequences and the type of consequence that a particular action is likely to elicit.

A perspective, which makes use of narratives, is the complex responsive processes approach. This perspective is an interpretation of the insights from the complexity sciences and draws on certain strands of thinking in sociology that stress human interdependence and regards individuals as social selves that arise in human interaction. From the perspective of the complex responsive processes approach, organizations are seen as self-organizing patterns of communicative interacting and power relating between humans in the living present (Stacey, 2003). This is opposed to executives, consultants, managers and researchers who usually talk about what they should be doing, instead of what they are doing now (Stacey, 2010).

#### 1.8.1. Motivating a different approach

My interest in complex responsive processes was further raised through a lecture of dr. Floor Basten in November 2010, where she referred to a paper about Depression Narratives of ex cancer patients (Westerbeek and Mutsaers, 2008). This paper triggered me, because of personal experiences. I came to realize that since 1999 I had to learn to deal with high degrees of uncertainty and unpredictability in my life.

Both within complexity sciences as within the complex responsive processes approach, uncertainty is regarded as a fundamental, irremovable reality, implying high levels of unpredictability (Stacey, 2010).

Fenwick (2012) argues that complexity science offer useful insight for articulating complexities of professional practices and knowledge. But a consequence of using the perspective of complexity sciences is the recognition that predictability is seriously limited (Zhu, 2007). Take for example the change process as described in section 1.6 (page 20). The change process toward becoming a more customer centric organization was initiated by the (upper) management and can be considered as a powerful gesture from management, calling forth responses from many different employees. These responses

could not be controlled by management and sometimes resulted in surprising outcomes as described in paragraphs 1.6.1-1.6.3.

## **1.9. Introduction to the research domain**

The objective of this study is to explore other (different) ways of understanding what is needed to consider the customer more important in the work we do. For this study I intend to take a perspective, which acknowledges organizational change as a rich, multifaceted complex phenomenon. Performing a study from such a perspective means that relevant situations at work are described in the form of narratives. This is done in chapter 3, 4 and 5 (see table 1.1). Narrative research configures characters, themes and events into a sequence that leads up to the phenomenon to be explained or understood (Llewellyn, 1999, page 229). This way I aim to make customer orientation understandable within the context presented in the narrative.

From the previous sections we have seen that maintaining agreements made with a customer has been an issue in my working experience. We also have seen that maintaining agreements with customers is not solely the domain for a sales- and marketing department, but people from different departments of an organization are also involved. Furthermore, the core of marketing orientation and important pillars for growth of turnover and profit for a company are the acquisition and maintaining of existing customers. This leads to the following central research questions:

*Why is it so difficult to develop and uphold a customer-oriented practice in a technical oriented organization and what is needed to consider the position of the customer more important in the work we do?*

To answer this question I will investigate the basis of my current practice and thinking, according to the structure as mentioned in table 1.1 (page 32).

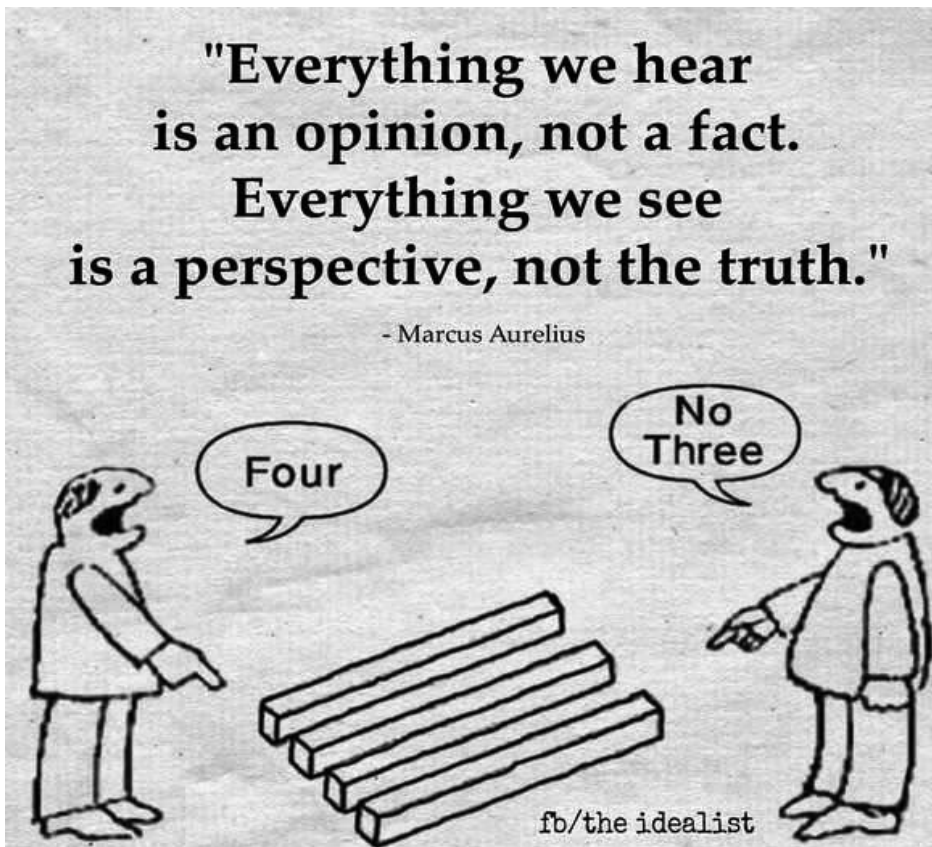
Chapter name	Description
1. <i>Project 1</i> : Customer Orientation Revisited	Researcher work related background and Academic life motivation
2. Adopting the Complex Responsive Process Perspective to study Customer Orientation	Theoretical background of: (1) customer orientation, (2) the complex responsive processes perspective
3. <i>Project 2</i> : From Acquiring an Order to Realization of a Project	Narrative 1 of researcher self-working experience in organization A – exploring how customer orientation emerges
4. <i>Project 3</i> : Customer Orientation: From Commercial Perspective a beauty, but Socially a beast	Narrative 2 of researcher self-working experience in organization A – discovering the inner dynamics of customer orientation
5. <i>Project 4</i> : Acquiring a Project at a New Customer, while Operating in an International Technical and Multi-Cultural Environment	Narrative 3 of researcher self-working experience in organization B – repetition of previous two chapters: what do I see now?
6. Customer Orientation: A Social, Rich, Multifaceted and Complex Phenomenon – A reflexive perspective	Bring together all the insights and themes that emerged from the narratives for a broader discussion

Table 1.1.: Structure of this thesis.



## Chapter 2

### Adopting the Complex Responsive Processes Perspective to study Customer Orientation<sup>1</sup>



---

<sup>1</sup> A summary of this chapter was published:  
Steevensz, J. (2016). *Methodological implications of studying customer orientation from a complex responsive processes perspective*. International Journal of Complexity in Leadership and Management, 3(4), pp. 301-309.

## 2.1. Introduction

Bonacchi and Perego (2011) stated in their case study that although the beneficial effects of a customer-centric approach are widely emphasized in the academic literature, not many firms practice such a strategy in a systematic and effective manner. This finding is supported by my experiences as explained in the previous chapter. Desphande, Farley and Webster (1993) regard customer orientation as being part of an overall, much more fundamental, corporate culture. A simple focus on information about the needs of actual and potential customers is inadequate without considering the more deeply rooted set of values and beliefs that are likely to consistently reinforce such customer focus and pervade the organization.

To investigate *why is it so difficult to develop and uphold a customer-oriented practice in technical oriented organizations and what is needed to consider the position of the customer more important in the work we do*, I will take an approach, as described by Tsoukas and Dooley (2011), that views an object of study as a 'whole woven together' and seek to link and contextualize rather than split and isolate. From such a perspective, customer orientation is constituted by the actions of interdependent actors through the process of power and conversational relating, which result in shared meanings and direction for action. This means that to find answers for my research questions, I will have to study what factors influence individual action, how those actions are constructed and what the consequences are. To achieve this I will investigate the interaction between me in my role as commercial responsible person and other persons in an organization, who have to work together to solve customer related problems. The environment where the study takes place is my working environment, which can be characterized as technical oriented companies that operate in a business-to-business environment.

In the previous chapter I explained that my job is to acquire projects at customers. Acquiring large projects in a technical environment and realizing them is a complex matter. Besides the technological challenges, there are many stakeholders involved. Seemingly small details turn out to be important and are inherently unpredictable. These small details can have serious consequences and this study will demonstrate that these are often caused by people, rather than by a product or process. Oeij (2017) stated in his thesis that pattern formation in groups who have to work together is an important element in the development of organizational processes.

The purpose of this chapter is to motivate the theory of complex responsive processes as a way to study customer orientation. I will argue that this theory can be linked to established research methods and position the complex responsive processes approach in a broader academic perspective.

My problem description and the corresponding research questions deal with solving customer's problems. This topic is discussed in established literature under customer orientation. In the following section I will first discuss a paradigm shift related to studying customer orientation. This is relevant for this study, as this paradigm shift motivated me to look for a different way to study customer orientation.

## **2.2. A Practitioner Oriented Approach to Study Customer Orientation**

Saarvijärvi, Neilimo and Närvänen (2014) concluded that literature on customer orientation has paid attention to important matters regarding the enablers of customer orientation, what it requires and how to align the organization accordingly. They state that existing literature on customer orientation is largely based on quantitative studies linking customer orientation to company performance. These studies have built the empirical basis of the domain, which have been and still are key when justifying the concept's relevance for scholars and practitioners.

It is difficult to draw straightforward conclusions from literature about the steps to take to improve a companies' customer orientation. Johannessen (2009) points to a deficit of much of the management literature, which has proven to be of little practical relevance. This deficit is underlined in the research on change management of Homan (2005). Saarijärvi, Neilimo and Närvänen (2014) notice however a shift from measuring the antecedents of customer orientation and impact on company performance, towards a better understanding how customer orientation is created in organizations.

Gummesson, Kuusela and Närvänen (2014) conclude that methodology in social sciences including marketing is preoccupied with fragments and a few variables as well as a desire to establish unambiguous and unidirectional causal relationships. They suggest to focus on all stakeholders and as a consequence on complexity and higher level theory generation. The move from a fragmented view of marketing to recognition of marketing complexity and diversity happens with the change from a single party focus (supplier) and a two-party focus (supplier/customer) to multi-party networks that take all actors into account.

This shift in paradigm recognizes a change in supplier and customer roles to be a focal issue. Goods and services are replaced by value propositions in which customers assume an active role as co-creators. Customers' active role as co-creators of value and resource integrators is gradually being recognized in theory (Gummesson, Kuusela and Närvänen, 2014, page 231).

Co-creation as a concept embraces the individual actions of suppliers, customers and other stakeholders and also the interactive relationships between them. In this view a supplier does things with a customer and not to a customer and that is exactly what is required in my working practice.

I regard the recent study from Gummesson, Kuusela and Närvänen (2014) important for this study. Their study suggests a move towards a more practitioner oriented research of customer orientation and this was a confirmation for me to look for a different way to study customer orientation.

What is required to study the emergence of customer orientation in an organization is suggested by Mowles (2011, page 85) as methods that are consonant with the continuous processes of mutual adaptation, mutual anticipation and meaning making that occurs when people have to work together to achieve things. Cicmil, Williams, Thomas and Hodgson (2006), performed a study of what they named actuality of project management. This is relevant for this study, because in my working practice I am involved not only in acquiring projects, but also involved in realizing projects. They refer to Calori (2002) who proposes a pragmatic epistemology as a methodological framework, involving reflective practitioners and pragmatic researchers, who engage together in co-authoring theories and creating knowledge that is immediate, pragmatic and contextualized. Cicmil et al. (2006) explain that a study following the principles of a pragmatic epistemology is designed as a participative cooperative inquiry where the primary emphasis is not on universal knowledge but on a range of atypical things and activities experienced as significant by actors in a local context. Such kind of thinking is represented in processual approaches such as becoming ontology as suggested by Chia (1995) and complex responsive processes of relating (Stacey, Griffin and Shaw, 2000). According to Cicmil et al. (2006) these researchers consider the relationship between agency and structure and methodological approaches to theorizing practice, by connecting action to culture, structure, power and patterns of intersubjective relating and dominant discourses, as being the key concerns in social theory. In their work the attention is refocused on praxis, on context-dependent judgment, on situational ethics and on reflexivity. Pollner (1991) stresses the importance of being aware of ones practice and the change to practice as an important element to reflexivity. This is emphasized by Stacey and Griffin (2005) and they make this the focus of their research program and a source of contribution to knowledge. They suggest that a complex responsive process view of research offers the possibility to notice how meaningful themes emerge during the course of one's own practice.

### **2.3. An introduction to the Complex Responsive Processes approach**

Complex responsive processes of relating, developed by Stacey, Griffin and Shaw (2000) is an approach to understanding ongoing temporal human interaction. In essence it is an approach where attention is paid to everyday experience, avoiding the temptation to abstract this detail into organizational recipes and systems.

The fundament of the complex responsive processes perspective is described by Stacey (2011, page 294) as: 'We are fundamentally talking about who people think they are and what they think they are doing together; who they want to be, what they want to do together and what they desire to achieve.' Stacey (2012, page 133) further explains that since working is fundamentally a social process, such an inquiry must inevitably provide information about how one has been formed in the groups, communities and societies one has lived in, and continues to live in. He further argues that this also involves an awareness of the history of those groupings and the traditions of thought they reflect. Looking at organizations and their strategies from this perspective we fundamentally talk about identities of people (Stacey, 2011, page 294).

Stacey, Griffin and Shaw (2000) developed the theory of complex responsive processes as an alternative of what they refer to as a dominant way of understanding organizations. In this dominant view organizations are understood as entities that exist outside of human interaction. Such a 'thing' like object or system can be designed and controlled via rules and procedures. In systems thinking thus conceived, the manager's focus is on the organization as an object to be manipulated and controlled. According to Stacey, Griffin and Shaw (2000, page 59) this is however not what makes an organization function, because in this view the rich world of human subtleties and micro-level interrelating that are inherent part of the actual reality of organizational life are omitted.

Stacey (2011) further argues that this way of looking at an organization cannot adequately explain how novelty arises in organizations and what the role of managers and leaders is in the emergence of novelty. The complex responsive processes approach provides an alternative perspective for theory about knowledge management. Stacey, Griffin and Shaw (2000) explain that the creation of new knowledge and thereby the process of organizational change, is to be viewed as a self-organized process of communicative interaction between individuals in the organization.

To Summarize, Stacey and Griffin (2005, page 8-9) point out that their perspective enables understanding of organizations as ongoing widespread patterns of interaction between people, influenced by propositional themes and played out in local interactions.

This implies that change and organizational development are not conceptualized as a result of management plans or organizational blueprints outside of the interacting members of the organization (Mowles, 2011).

Complexity theory formed one source of inspiration for the development of the complex responsive processes perspective. Stacey, Griffin and Shaw (2000) tried to understand the analogy between complexity theory and social interaction based on the work of social psychologist Mead ([1934], 1962) and Elias ([1939], 2000). In the next section I will explore how complexity theory contributed to the complex responsive processes approach.

The work of Mead and Elias makes clear that local interactions are binding relationships between people and that there is a constant tension between (perception of) truth and identity of persons. The constantly changing power relations between people and emotions of people determine how situations in an organization will develop.

At a later stage the fundament of the complex responsive processes approach was extended with the work of Bourdieu and Foucault. All these authors refer to the position of the individual in his or her social environment. In this social environment behavior is influenced by ideology, values, norms, power differences, feelings of inclusion and exclusion, and anxiety (Stacey, 2012).

Stacey (2010) explains that performing research from the complex responsive processes perspective means understanding an organization as a participative exploration of experience. An essential element of the complex responsive processes perspective is the insider position of the researcher. The researcher cannot step outside the interaction with others. This way of doing research means that a separate and stable reality of independent of human action and interpretation available for observation and analysis is not assumed. As explained in the previous chapter, narrative studies offer the researcher an opportunity to be part of the field of research. Stacey (2011) refers to the importance of narrative knowledge in organizations. He explains that interaction between humans in an organization evolves as narrative-like themes that normally have no single narrator's perspective. The private role-play, the silent conversation of each individual and their public interactions can be thought of as themes and variations reproducing history. It is these themes and variations that organize an individual's experience in the living present (Stacey, 2012, page 27).

The starting point of this approach is to take the researcher's own experience seriously and to reflect on these experiences using narratives in which relevant and important themes are identified and then conducting a critical literature study on these themes. This implies that in this study customer related situations at work are described in the form of narratives.

Lewellyn (1999) explains that narrating is a mode of thinking and persuading that is as legitimate as calculating. She argues that narratives are used to ground theoretical arguments. These arguments are not grand theories, but local stories. Although the narratives are rooted in a particular context, they are illustrative for the theorizing of researchers.

Basten defined in a lecture I attended in 2010, a narrative as a story about an event that changes a situation (situated in time and space), involving entities (things, powers, characters) with a plot that explains a chain of events and which is told by a persuasive (truthful and convincing) teller.

Llewellyn (1999) argues that a narrative turn takes research beyond its traditional focus on the representation of organizational structures and processes to encompass knowledge of agency. In her view the understanding gathered via narrative research implies that a researcher represents the views and actions of practitioners and the consequences of these actions for the organization. These actions and consequences draw on the interpretations of both participants and researchers, interpretations that reflect their identities and interests.

Llewellyn (1999) concludes that research narratives exhibit explanations rather than demonstrate them. According to Donaldson (2013), narrative studies contribute to organizational learning, as well as help to understand organizational change as it really happens.

Appropriate research strategies such as ethnographic studies and action research are based on co-authorship. Co-authorship enables theory building by combining scholarly theorizing and practitioners' narratives. According to Cicmil et al. (2006) this kind of research draws on a combination of practical philosophical considerations and concrete empirical analyses towards understanding human action, and for that matter, managerial action in a concrete situation. This requires a theoretical shift from more common normative rational approaches of individual and project performance, towards a more developmental one that focuses on practical action, lived experience, quality of social interaction and communicative relating, operations of power in context, identity, and the relationship between agency and structure.

Doing research from the complex responsive processes perspective implies that the researcher is not 'interviewing' nor 'surveying' the participant but engages in a critical dialogue with practitioners. The researcher reflects and interprets his/her own experience. In other words the findings of the research arise in the researcher's *reflection* on the micro detail of his or her *experience* of interaction with others.

A consequence of the complex responsive processes approach is that research only can be done from the researchers' own practice. This places emphasis on the researcher him/her-self and on his or her working practice. Here we see my paradoxical role as a researcher. I am part of the organization where I perform my study and thus cannot be a

detached observer. Instead I am an observing participant, for whom it is important not only to explore or explain what is, but also to examine why it is as it is and what activities are encouraged or discouraged by this focus and how it comes to be.

Homan (2016) concluded that the complex responsive processes perspective is not fully taken for granted in mainstream literature on theorizing about organizations. Methodological issues, such as epistemology, ontology, and representation are of concern in this type of studies. Saunders, Lewis and Thornhill (2012) characterize the complex responsive processes perspective as a subjective ontology, which has far reaching consequences for the way reliability; the external and internal validity of the research is established.

Reflexivity is the core concept of the complex responsive processes approach, to explore and deal with the everyday experience of organizational practice. Stacey and Griffin (2005) defined experience as meaningful engagement in interacting with others when doing everyday work. Reflexivity enables transparency about what is known and how it is known. It is an ongoing attempt to be explicit about one's pre-understandings (Brinkmann, 2012) and the history of one's behavior (Stacey, 2010). Purpose of the reflection process is to discover in literature where my current way of thinking comes from, how it is argued and how my way of thinking connects to my experiences as a professional (Mowles, 2011). Reflexive research is to be approached as research in which dissensus, orientation on local and emergent processes are points of departure, through which conflicts, lost or marginalized voices, ambivalence and diversity are made visible or audible.

Taking reflexivity as a point of departure for research is not without consequences. Within social sciences reflexive research represents a breach with modernistic scientific presumptions of objective observation, planning and control. The basic unit of research in this study is identified as human action, thus bringing personal experience to the attention of the researcher. A question that needs to be answered is if reflection can be used in research, because of the need for scientific facts. But what are scientific facts? Fleck ([1935], 1979) explained that scientific facts are supposed to be distinguished from transient theories as something definite, permanent and independent from any subjective interpretation by the researcher. The critique of the methods used to establish this, constitutes the subject matter of epistemology (Fleck, [1935], 1979). At the same time he considers the changes in scientific (academic) thinking as a continuously ongoing process driven by social forces. Thus Fleck argues that the appearance of scientific facts as discovered things is itself a social construction. Johannessen (2013) suggest to distinguish between different ways of knowledge creation, separated by different views on validity and reliability, which will be discussed more in detail in paragraph 2.7.2.



Polkinghorne (2007) proposes that validating knowledge in narrative research is an argumentative practice. In his view the purpose of the validation process in narrative research is to convince readers of the likelihood that the support for the claim is strong enough that the claim can serve as a basis for understanding of and action in the human realm. Narrative research issues claims about how people understand situations, others, and themselves (Polkinghorne, 2007).

Zhu (2007) suggests using a pragmatic view, where he connects validity of knowledge to the action, more specific to the uncertainties of the outcome even in the case of repetitive actions. According to Zhu (2007, page 452) a genuine pragmatic sensibility is featured by a refusal to entertain ideas and actions as disjunctively related, a rejection to 'the spectator theory of knowledge', a commitment to endow experience with learning rather than seeking 'truth', a willingness to take action without knowing how things might unfold in the future, a readiness to embrace uncertainty and surprises, an eagerness to capitalise on the unanticipated and unexpected, a conviction that validity of knowledge depends on the consequences of acting upon it, an enjoyment in conversation with situated agents about possibilities for change, a proposition viewing temporal conversations in a community.

In this section we have seen that the complex responsive processes approach differs from the systems thinking approach as it focuses on human behavior and interaction. This means that the only agents in a process are people and they are not thought of as constituting a system (Groot, 2007). Stacey (2011) explains that taking the perspective of the complex responsive processes approach, the attention shifts from the long-term, big picture, strategic macro level to the details of the interactions taking place between humans.

An important element of the complex responsive processes approach is the reflection on daily working practice. This has radical consequences for the position of the researcher. Only an insider's position is possible, a position in which the researcher participates and observes, and which enables him/her to reflect upon his/her experiences and in the end shares these experiences. It is therefore mandatory for a researcher to be as much as possible explicit about his/her values and beliefs, and to describe the analyses and reflections made during the research process (Simon, 2015). Knowledge is then created from relating with other people or with the researchers own self in the form of his/her reflections (Johannessen, 2013).

## 2.4. Complexity Theory in Organizational Studies

As stated in the previous section the complex responsive processes perspective draws on elements of complexity theory. Purpose of this section is to explore the link of the ideas postulated by the complexity theory and the work of Mead and Elias, which form the three fundamental pillars of the complex responsive processes approach.

Complexity theory has origins in many different disciplines such as biology, economics, mathematics and physics. Costanza, Wainger, Folke and Mäler, (1993) describe complexity theory as the study of complex systems that are characterized by strong (nonlinear) interactions between the parts, as well as complex feedback loops that make it difficult to distinguish cause from effect. These characteristics result in scientists' inability to simply add up small-scale behavior to arrive at large-scale results (Costanza, Wainger, Folke and Mäler, 1993).

In the view of Maguire, McKelvey, Mirabeau and Öztas (2006) there is a North American and European tradition of complexity theory research. The North American School is rooted in the work of scientists such as Benoit Mandelbrot and John Holland. It is often associated with the Santa Fe Institute, a private research institution dedicated to the development of complexity science. Studies at the Santa Fe institute are related to life sciences, studying the evolution of entities within complex systems. In such life science (biological) complex systems, agents are continuously restructuring themselves, which leads to new forms of emergent order and evolved agent attributes (Maguire et al, 2006, page 167).

The European school of complexity studies is grounded in the work of Nobel Prize winner Ilya Prigogine. In this tradition the emphasis is on studying non-equilibrium systems, which proved how unorganized entities in such a system can spontaneously organize themselves into structures when an external energy source is applied. Nicolis and Prigogine (1977) named these 'dissipative structures'. They found that the dissipation in such complex systems does not result in the collapse of the complex system. Instead the dissipation of energy results in a reorganizing of the system into a different form, which suits better to the changed environment. One of the potentially difficult issues is that the detailed form of the new, emergent structure cannot be predicted (MacIntosh and MacLean, 2001).

To develop an understanding how to interpret the radical insights of the complexity science in terms of human action, Abma (2011) elaborated more in detail to differences between complex systems in the social domain and in the world of physics. He states that in the physical world, complex systems are limited, strongly integrated and visibly connected, whereas complex systems in the social domain are much more open with respect to their environment. The latter makes complex systems in the social domain less suited for a reductionist analysis than complex systems in the world of physics.

Another difference according to Abma (2011) is that interactions between actors in a complex system in the social domain are not visible or measurable compared to interactions in a complex system in the world of physics. Giddens (1983, page 15) argues that the technical language and theoretical propositions of the natural sciences are insulated from the world with which they are concerned because that world does not answer back. He states that social theory cannot be insulated from its 'object world', which in his view is a subject world. In line with this reasoning of Giddens, Flyvbjerg (2001) points to an important difference between the social and the natural sciences. He explains that the background conditions in the social world are not physical facts, but patterns of behavior, which are characterized by expert exercise of tacit skills of the people involved.

Furthermore Abma (2011) points to a unique aspect of complex systems in the social domain, compared to complex systems in the physical world, which is that the actors (individuals) feature representations (e.g. meaning, intentional action) of the emergent patterns. For example differences in communications may lead to different interpretation of emergent processes and thus to different outcomes.

Over the years attempts have been made to search for a new management paradigm based on complexity science. MacIntosh, MacLean, Stacey and Griffin (2006) described how these attempts have been clustered around several themes, such as 'simple rules', 'edge of chaos' and 'fitness landscape'. Zhu (2007) argues that the emergent character of these themes is not genuine, but a result of intentional planning by specified and impossible rules.

A widely known example of transfer of insights from the complexity science as used in physics to organizational studies is the Complex Adaptive Systems (CAS). Simon (2015) explains that the CAS approach departs from an interventional perspective on organizations, assuming that human behavior is somehow to be influenced to generate efficient social patterns. According to Stacey (2011), a key difference between the complex responsive processes approach and the complex systems thinking as used in organizational studies so far, like e.g. CAS, is that people are not thought to participate in a system. Instead they are involved in interaction between each other in local situations. The communicative patterns are not external to the interaction, but constitute the interaction itself. This means that the complex responsive processes approach goes beyond the distinction between insider and outsider research. In other words it does away with the spatial metaphor, associated with systems thinking, which posits an inside and an outside.

Tsoukas and Dooley (2011) argue that complexity is the interweaving of things, the irreducible interconnectedness and interdependence that underlies life. They state that this is what researchers and practitioners need to learn to cope with. According to Stacey (2005, page 19) complexity refers to a particular dynamic or movement in time that is

paradoxically stable and unstable, predictable and unpredictable, known and unknown, certain and uncertain. Complexity and uncertainty are both often used to refer to a situation or environment in which humans are acting. From the complex responsive processes perspective it is human relating itself that is to be regarded as complex and uncertain. The complex responsive processes perspective departs from radically unpredictability, caused by the unpredictable nature of humans (Simon, 2015).

The essence of complexity theory applied at organizational studies is to investigate patterns and relationships and to focus on how order can emerge (McDaniel and Driebe, 2001). Such order manifests itself through emergent self-organization. Abma (2011) and Johannessen (2009) both point to the central importance of emergence and self-organization in which irreversibility and novelty can be explained, without falling back on reductionist and control-oriented approaches. In the view of Stacey (2005) self-organizing means that agents interact with each other on the basis of their own local organizing principles. He further explains that it is in these local interactions that widespread coherence emerges without any program, plan or blueprint for that widespread pattern itself. According to Johannessen (2013) this reasoning resonates with the insights of Prigogine (1997) and the questions that concerned Elias (1939, [2000]). He demonstrated that history is emerging in a non-linear way: events are not just caused by other events in a straightforward way. Johannessen (2013) further explains that in a similar way to Prigogine and Elias, Mead (1934, [1962], page 332) is concerned with the process whereby novelty emerges in an unpredictable way, as the movement of continuity and transformation in the present. Johannessen further explains that in the complexity paradigm there are no predictive controlled actions of individual agents based on central rules and plans. There are only interactions, which is stated by Cilliers (1998, page 7): 'The higher order complexities of which we hope to get an understanding reside not in any of the individual agents, but in the rich pattern of interactions between them.'

The preceding discussing indicates that the complex responsive processes perspective does provide a basis for answering the question of how professionals in organizations can develop an attitude that allows them to better deal with complexity in practice, because it refocuses attention to the processes of daily, local interaction in which actors including the researcher are embedded. Customer relation processes studied from a complex responsive processes perspective thus provides an alternative lens through which new insights can be found to the issues I am confronted with in my professional life such as I described in the previous chapter.

## **2.5. Studying Social Practices at the inseparable intersection of Structures and Agents**

In section 2.2 I explained that this study follows the principles of a pragmatic epistemology. According to Cicmil et al. (2006) this requires a conscious effort to understand the interrelationship and inseparability between agency (individual behavior and action) and structure (organizational policies, procedures and legitimized routines) in the context of a 'whole', rather than considering them as discrete and detached from each other.

The nexus of agency and structure has been a central tenet in the field of sociology. Theories that argue for the preeminence of structure resolve that the behavior of individuals is largely determined by their socialization into that structure, whereas proponents of agency theory consider that individuals possess the ability to exercise their own free will and make their own choices. In this view social structures are regarded as products of individual action that are sustained or discarded.

Giddens (1984) developed his concept of structuration, where he argues that just as an individual's autonomy is influenced by structure, structures are maintained and adapted through the exercise of agency. This concept offers perspectives on human behavior based on a synthesis of structure and agency effects, known as the 'duality of structure.'

Giddens (1984) structuration theory attempts to understand human social behavior by resolving the competing views of structure-agency and macro-micro perspectives. This is achieved by studying the processes that take place at the interface between the actor and the structure. Structuration theory takes the position that social action cannot be fully explained by the structure or agency theories alone. Instead, it recognizes that actors operate within the context of rules produced by social structures, and only by acting in a compliant manner are these structures reinforced. As a result, social structures have no inherent stability outside human action, because they are socially constructed.

Alternatively, through the exercise of reflexivity, agents modify social structures by acting outside the constraints the structures place on them.

Dom (2005) concludes that although the empirical usefulness of Giddens (1984) structuration theory remains vague, structuration theory served as an example for a substantial amount of researchers. According to Zhu (2007, page 458) Stacey, Griffin and Shaw, as the founders of the complex responsive processes perspective, have chosen to line up with Giddens' structuration theory. In the following discussion I attempt to demonstrate the parallels of the complex responsive processes with Giddens' structuration theory. The complex responsive processes perspective draws on certain strands of thinking in sociology that stress human interdependence and regards individuals as social selves (Stacey, Griffin and Shaw, 2000). Luoma (2007) argues that the

complex responsive processes perspective gives rise to the problem of making a distinction between an individual and the social. This means that similar to Giddens' (1984) structuration theory the complex responsive processes perspective does not separate the individual and the social, which implies a non-dualistic stance.

To my understanding of Giddens' (1984) framework of structuration there are three parallels with the complex responsive processes perspective, which are to be found around the three kinds of structures Giddens identified in a social system. The first is signification, where meaning is coded in the practice of language and discourse. The complex responsive processes perspective builds on the work of Mead. One of his most influential ideas was the emergence of mind and self from the communication process between humans, also known as social behaviorism (Mead, [1934], 1962). Mead's theory of the social self is based on the perspective that the self emerges from social interactions, such as observing and interacting with others, responding to others' opinions about oneself, and internalizing external opinions and internal feelings about oneself. According to Mead ([1934], 1962) language develops the self by allowing individuals to respond to each other through symbols, gestures, words, and sounds. In Mead's view language is not a way to transport meaning but an attempt to give meaning to responses of others on your words in a particular situation. He described symbolic interaction consisting of gesturing and responding. A gesture is according to Mead ([1934], 1962) a symbol in the sense that it points to a meaning, which becomes apparent in the response that it calls forth. The gesture and the response together constitute a social act in which its meaning is "constructed" (Luoma, 2007). Mead's concept of the social act is relevant from the standpoint of a social process involving the interaction of many individuals. In Mead's view empirical social action is constructed through ongoing temporal passage and thus through what Mead calls emergent events, rather than through a sequence of discrete acts or stages of one act (Emirbayer and Mische, 1998).

The second social structure of Giddens is legitimation, consisting of the normative perspectives embedded as societal norms and values. Shotter (2005) explains that the shared background of normative expectations and anticipations embodied in our shared ways of acting, provide us with agreed criteria in terms of which we judge the meaning and value of each other's actions. The complex responsive process perspective regards organizations as iterated patterning of communicative interaction between a number of interdependent persons and groupings of them (Stacey, 2011). Each of these persons belong to a group, e.g. I belong to the sales department and engineers belong to the engineering or research & development (R&D) department. Each of these groups give rise to 'we' identities of their members, providing them with a powerful sense of identity and corresponding norms and values.

Giddens's final structural element is domination, concerned with how power is applied, particularly in the control of resources. The complex responsive processes perspective

refers here to the work of Elias (1991), who argues that power is a structural characteristic of all human relationship. In his view power is not something a person possesses. Instead power reflects the fact that we depend on each other and so enable and constrain each other. The basis of power is need. However this is never absolute, because the power of the more powerful depends upon the recognition of the less powerful. This implies that power relations are dynamic and power ratio may shift.

Craib (1992, page 108) criticizes that the structuration theory offers an ontology of social life; it tells us what sort of things are out there in the world, not what is happening to or between them. Giddens (1984) explains that he means by ontology a conceptual investigation of the nature of human action, social institutions and the interrelations between actions and institutions. He further argues that the task of constructing sets of stable established generalizations is not an ambition of much relevance to social science. The complex responsive processes perspective does not aim to generate general rules from events. This perspective shows how a reality develops in everyday events and does not assume that we, as individuals, can exercise well-considered control over it. From this perspective a researcher is however capable of addressing a much wider range of important issues in organizational life, such as the social responsibility of management, ethical conduct, anxiety, emotions, power relationship, culture and identity. We will see all of these elements in the upcoming three chapters, where I will describe three lived-through narratives.

## **2.6. The position of the Complex Responsive Processes Approach in the Academic Environment**

Paragraphs 2.3, 2.4 and 2.5 described the complex responsive processes approach, the link with this perspective and complexity science as well as the parallels with Giddens' structuration theory. In paragraph 2.3 we have seen that Stacey's work can be placed in research traditions that require attention for a reflexive, practical approach. The analysis of knowledge creation as a social process of communicative interaction finds its origin in literature about social constructivism. Hatch and Cunliffe (2008) explain that this type of (organizational) studies began when researchers developed theories based on subjectivity and interpretation. They refer to the German sociologists Berger and Luckmann (1966), who presented the idea that the social world is negotiated, organized and constructed by our interpretations of objects, words, actions, and events all of which are communicated through symbols. They claim that within social constructed reality symbolism and not structure creates and maintains social order and proposed that interpretations are based

on implicit understanding formed intersubjectively. Hatch and Cunliffe (2008, page 34) describe intersubjectivity as the realm of subjective experience occurring between people that produces a sense of shared history and culture. They argue that by locating the process of social construction in intersubjectivity makes this theory of reality a social theory, which contrasts with modernist definitions of objective reality as independent of human experience.

According to Hatch and Cunliffe (2008) social constructed reality is complicated to study. It is a local phenomenon that goes into all kind of directions, starting from everywhere and extending both backward and forward in time. This implies that participation only grants access to a portion of any given socially constructed reality. In other words, a social constructed reality only exists in the interaction with others with whom a person engages.

#### 2.6.1. Positioning the Complex Responsive Processes Perspective

To place the complex responsive processes approach in a broader academic perspective I refer to the work of Hatch and Cunliffe (2008). They identified four major sources of inspiration for organizational theory. These are “prehistory” (1900-1950s), “modern” (1960-1970s), “symbolic interactive” (1980s) and “postmodern” (1990s). Hatch and Cunliffe (2008) link these sources to the academic disciplines that have contributed to organizational theory.

On the boundary of symbolic interactive and postmodern era, Hatch and Cunliffe (2008, page 20) position the hermeneutic tradition. This tradition argues that there is no objective or single knowable external reality and that the researcher is an integral part of the research process. Brannick and Coghlan (2007) explain that this approach follows a subjectivist ontology and state that the nature and role of theory in this kind of research concentrates on particular knowledge as opposed to generalization and universal knowledge, e.g. measuring antecedents of customer orientation in relation to the impact on company performance.

Giddens (1984) argues that all social actors are social theorists, who alter their theories in the light of experience and part of this experience is social theory.

Hermeneutic phenomenological research is concerned with the study of experience from the perspective of the individual (Kafle, 2011). Epistemologically, phenomenological approaches are based in a paradigm of personal knowledge and subjectivity. It emphasizes the importance of personal perspective and interpretation. According to Husserl (1960) pure phenomenological research seeks essentially to describe rather than explain and starts from a perspective free from hypotheses or preconceptions.



From the preceding discussions follows that the complex responsive processes perspective has analogies with the symbolic interactive ontology as described by Hatch and Cunliffe (2008, page 34). Symbolic interactionists identify their basic unit of research as being human action, thus bringing personal experience to the attention of researchers (Johannessen, 2013). Symbolic interactionism is both a theory of human behavior as well as a research perspective to investigate individual human behavior and group behavior. There is a focus on characteristics of the individual in a community and the relationship between individual perspective, collective action and community. A fundamental principle is that people come to an understanding of corporate social definitions through a socialization process. The most powerful symbol used in such a process is language. Luoma (2007) explains that the perspective of symbolic interaction discards the notion that organizations can be identified as entities. Instead they are looked upon as actions of human body directed towards oneself and others.

Homan (2016) argues however that the complex responsive processes perspective leans towards a postmodern ontology. The postmodern perspective encourages reflexive and inclusive forms of theorizing about organizations (Hatch and Cunliffe, 2008, page 15), which are both requirements to perform a study from the complex responsive processes perspective as will be explained in section 2.7. According to Simon (2015) the reflexive turn articulates a search in social sciences for an alternate language to express and to understand what is experienced in life. For Alversson and Sköldberg (2009) reflexive methodologies include approaches such as social constructionism, grounded theory, hermeneutics and discourse analysis.

#### 2.6.2. Conceptual and theoretical considerations to study human interaction

Many social science methods exclude the human subjects from the research process. Participative approaches however emphasize participation and interactions both as an ontological condition and as a research strategy. This section discusses different and established research methods that belong to the symbolic interactive and postmodern era and which are aimed at studying organizations as everyday activities of people interacting with each other.

*Anthropology* is about the everyday experience of a society or organization (Bate, 1997). In the view of Bate (1997, p.1165) it is precisely at this level of the everyday, the level of the detailed social processes informing relationships between organizational interests, that the content of organizational culture is continuously formed and reaffirmed. Bate (1997, p.1160) states the central task of anthropology is representing the lives of others, in particular conveying a flavor of what it looks and feels like from a 'native point of view'. According to Homan (2016) the anthropologic observer has however too

much distance to obtain an intimate understanding of what emerges from the local interactions the researcher observes.

*Auto-ethnography* is a (legitimized) method within a broader academic community in which research is performed from a reflexive and (rather) personal perspective. An auto-ethnographic account is a story about something that has happened and about how a person experienced this. Simon (2015) explained that the auto-ethnographic approach leans on an ascribed connection of a person and its culture, who is to provoke resistance, utopian thoughts or political engagement. Auto-ethnographic research is a radical reflexive way of research as it turns the reflexive acts towards the researcher self to deconstruct his constructions of reality (Cunliffe, 2003). As such auto-ethnography points to a postmodern orientation on science, as can be seen from the sources of inspiration from Hatch and Cunliffe (2008, page 20).

Both the complex responsive processes approach and auto-ethnography are reinstating the personal or the local. Within the complex responsive processes perspective the local agent is the motor for interaction from which themes and insights emerge, while auto-ethnography focuses on making audible what is silenced (Simon, 2015).

Anderson (2009) refers in his study to the company Intel, where employees use this type of research to visit customers to observe and listen in a non-directed way. Their purpose is to discover otherwise elusive trends that inform the company's future strategies. Anderson (2009) states that high-tech companies, among which Intel is one example, have to date employed quite a number of corporate ethnographers. Blocker, Flint, Meyers and Slater (2012) confirm that a provider's ability to uncover latent needs through proactive dialogue or ethnographic research may reveal early warning signs of changes in customers' needs.

Various organizational management studies point to the importance of dialogue. Language is used to engage in a social process of constructing realities (Pieterse, 2014). Chia (2000, page 513) states that language structures our experience of the world and produces a version of social realities.

*Discourse analysis* is a general term for a number of approaches to analyze written, vocal, sign language use, or any other significant semiotic (meaning making event). Discourse analysis has been taken up in a variety of social science disciplines, including e.g. sociology, anthropology, international relations and communications studies. Each of these disciplines is subject to its own assumptions, dimensions of analysis and methodologies (Pieterse, 2014). In his study to professional discourse and culture Pieterse (2014) used discourse analysis. Although he refers in his study to the complex responsive processes perspective, his study was an example of a participant observer instead of an observing participant. He categorized what people said during conversations, which is

more an aboutness approach than a withness approach. He classified phenomena into discrete categories to produce independent variables that are thought to be predictive of the dependent variable to be explained. His objective was to find generalizable conclusions as a result.

Pieterse (2014) also investigated professional cultures, where he looked at patterns and ways of reasoning. He then compared these patterns with people from comparable occupational groups. This is different to the complex responsive processes approach, where local interactions in a given situation are studied, to understand the emergence of actions by the people involved.

Earlier in this chapter (page 49) I argued that the complex responsive processes perspective has analogies with symbolic interactionism. Using the principles of symbolic interaction Glaser and Strauss ([1967], 1995) developed *Grounded Theory* as a way to collect and analyze qualitative data. The roots of Grounded Theory are to be found in the work of pragmatists like Dewey and Mead. These two pragmatic scientists argued that knowledge and skills arise in symbolic interaction between people during the process of finding solutions for all kind of practical problems. The thinking of Dewey and Mead becomes visible in the assumption that knowledge in local interactions can be discovered by a researcher (de Boer, 2011).

The Grounded Theory Approach as developed by Glaser and Strauss ([1967], 1995) is a combination of inductive research and deductive research. The inductive character is reflected in the open and flexible structure of the research, the way data is collected i.e. in the natural (working) environment of persons as well as the data analysis, which starts from raw unstructured data. The deductive part becomes evident in the tendency to systematics, verification and theory building (de Boer, 2011).

Performing research using the Grounded Theory Approach relies heavily on systematic comparison approaches (between data or between data and prior categories). Such extensive use of systematic comparison expresses the inquirer's intention of revealing regularities and systematic associations, not in the content of the meaning people attach to their experience but in the structuring process of sensemaking and organizing.

*Sensemaking* refers here to an evolution model of Weick ([1979], 1995) where he explains that the process of organizing is situated in the micro practices of interactions, conversations and coordinated actions between people. Following Mead and Blumer's symbolic interactionism, Weick ([1979], 1995) argues that people create their everyday life through actions and interactions with each other. He named this an *enacted environment*. *Enactment* in the view of Weick can be described as representing the notion that when people act they bring structures and events into existence and set them in action. Organizing according to Weick means collective processes where people create environments through their actions (enactment), observe, interpret and thus come to a

collective sensemaking (selection) and reinforce the selection and options (retention). Weick states that the start of such collective processes of organizing is situations that cannot be solved with existing routines.

Performing sensemaking research means that the researcher has to enter the world of the persons he/she wants to investigate to study the context and the interactions. Whatever the subject of research, the participants' points of view are essential: it is through the meanings and the symbols they use and create from social interactions and communications, that they produce their world and reality (Allard-Poesi, 2005, page 178). Interpretivists and symbolic interactionists researchers studying sensemaking processes are then faced with a fundamental paradox: defining reality as essentially mental and socially constructed, yet seeking to disengage from that experience and objectify it. As a result, using e.g. the Grounded Theory Approach as sensemaking research tends to stagnate and undermine, or even lose sight of the very conception it seeks to convey (Allard-Poesi, 2005).

Weick's process approach of organizing offers an alternative for the structural approach to study organizations. According to the structural approach managers redirect their actions on the basis of results. Hatch and Cunliffe (2008) explain that sensemaking is not about discovering truth, but creating it by organizing experience in ways that produce (make) understanding (sense). Similar to the complex responsive processes perspective, Weick focuses in his work on interaction processes and not exclusively on results. A difference with the complex responsive processes perspective is however that with the latter approach the emergence of social reality is studied and that offers a possibility to understand this social reality.

When we compare the research methods as described in this paragraph with the complex responsive processes approach, the latter provides a way of thinking about organizations by emphasizing human interdependence and focusing attention on the details of local interaction. From the discussion in this paragraph we have seen that the importance of local interactive sense making in everyday experience is shared with anthropology, auto-ethnography, phenomenology, discourse analysis and grounded theory. What these different ontologies have in common is that a duality between the individual and the social is recognizable, whereas the complex responsive processes perspective does not separate the individual and the social (Homan, 2016).

Stacey (2012, page 22) considers local interactions of utmost importance and he finds it therefore necessary to use any insight that social sciences offers to broaden the understanding of local interactions.

### 2.6.3. Methodological foundation of the Complex Responsive Processes Perspective

The preceding discussion also indicates that the complex responsive processes perspective can be linked to established research methods. What the complex responsive process perspective has in common with organizational ethnography, phenomenology and discourse analysis is its primary focus of study, which is the everyday experience of organizational life. Studying the daily practice in organizations is according to Nicolini (2013) in line with the practice turn in theorizing about organizations. From the preceding comparisons I conclude that there is no such thing as a complex responsive processes methodology, because what is promoted in the particular community is more or less found in other methodological traditions.

Johannessen (2013) describes the complex responsive processes approach as adopting a radical process perspective on human development, espousing the development of mind, (self) consciousness and action as an ongoing social process in interaction with interdependent others. He explains that the focus on experience places the importance on explorative and participative investigations into everyday practice. Brinkmann (2012) named such kind of research a 'qualitative inquiry in everyday life'.

Simon (2017) argues that the complex responsive processes perspective is in essence an auto-ethnographic approach, in which the researcher attempts to contain his or her own complex practice in a narrative and reflexive way. From a complex responsive processes perspective the concepts of complexity, local interaction and patterns of conversation offer a rich array of explanations for the connection between self, society and change (Simon, 2015).

According to Simon (2017) the auto-ethnographic research method is further developed in the theory of complex responsive processes in analogy to how meaning emerges in our daily organizational lives.

## **2.7. Performing research from a complex responsive processes perspective**

Performing research according the complex responsive processes approach is not a pre-designed research with clear conceptual categories, methods and phases specified in advance.

The theory of complex responsive processes offers no stringent frameworks or models to be tested. The latter indicates parallels with the hermeneutic perspective as described on page 48 of this chapter.

In this research I focus on an understanding in action, which is quite distinct from the kind of cognitive and intellectual understanding that dominates organizational studies. The 'unit of analysis' in the complex responsive processes approach is the experience of interacting with others in social settings. Here the concept of complexity is used as a fundamental attribute of the quality of the interaction of interdependent persons (Stacey, 2003). This implies that the insights of the research arise in the researcher's reflection on the micro detail of the researcher's own experience of interacting with others (Warwick, 2011). As Stacey (2012) puts it, outcomes of a study from the complex responsive processes perspective are regarded as a static location of events that are ongoing. Generalized recommendations continue to emerge in local interactions in which they are made particular. A careful description of the learning process makes it possible for the readers to draw conclusions and make judgments, based on their own experiences.

According to Stacey (2012), this approach is more than a professional-academic research method. It is also the main technique available to managers and leaders to explore what they are really doing and to sustain and develop the capacity for practical judgment. Thomas (2010) described how such way of doing research leans towards phronesis, through which understanding a problem in its context becomes possible. Flyvbjerg (2001) argues that the outcome of social science will not lead to universal law (episteme), nor antechne (technical and practical knowledge), but instead a phronesis. Shotter (2005) named the knowing gathered with this kind of research, a practical knowing from within.

#### 2.7.1. Can this type of research be qualified as academic?

Reflexive narrative method can be helpful developing a better understanding of one's own actions, especially when these reflections can be shared with others and are open for debate (Stacey, 2012). Although quite some research in the area of organization and management has been done following the complex responsive processes approach, little attention has been paid to ground this type of research based on scientific quality criteria.

Simon (2015, page 60) developed a set of criteria within his reflexive context to evaluate his research. He based these criteria on qualitative and auto-ethnographic research and emphasizes transferability to assess his work. According to Simon (2015, page 47) transferability translates into generalizability, reliability and validity, because the results of this type of research will not point to a shared ontological social reality, but to a recognition of and maybe identification with conceivable experiences. In the next paragraph reliability and validity for this research will be discussed more in detail.

Simon (2015) further points to the danger of developing a new universal set of criteria within a reflexive context. He warned not to use the criteria for any kind of reflexive research, because he developed the criteria for his own particular work, although the criteria may inspire others. I used Simon's criteria as a guideline and added relevant

questions and remarks for this particular research.

The analytical and reflexive character of this research should demonstrate a sufficient understanding of the complex responsive processes perspective. This will become clear after the analysis of the narratives described in the following three chapters. Relevant questions to reflect upon are (1) do I have a sufficient overview of literature?, (2) do I have a critical view on literature?, (3) am I able to draw conclusions, which are related to my research question?

The research should be done as a full member of the community the research is about. This implies that I am an observing participant instead of a participating observer. In the three narratives, which are described in the next three chapters I was commercially responsible for the customer. This role coincides with the challenges I faced in my working career and which are described in the previous chapter. The research should deliver relevant and interesting narratives as I explained in section 2.3 of this chapter.

The research should be transferable, which means that my experiences, analysis, reflections and conclusions should be recognizable for people who are working in a similar environment. The outcome of this study may create conditions that the approach I used for this study will be applicable for others in similar situations. The results however may differ in other situations because of the self-emergent character.

At the beginning of this section I stated that this type of research has no stringent framework. To perform a consistent research of my working practice, I will reflect on themes that emerged from my narratives. This process can be described as follows: in the previous sections I motivated the use of the complex responsive processes perspective to find an answer to my research questions. The two most common theories used in this perspective are Mead and Elias as explained in section three. If I apply these theories on the themes from my narratives, what do I see? What do I understand better now? And are there themes that I still do not understand? Is there other applicable literature available, which further help me to understand the themes that emerged in my narratives? Why does this literature fit with the theme I am investigating? And does this literature relate to the complex responsive processes perspective? When I apply this relevant literature to the themes emerging from my narratives, what do I understand better besides following only the analysis of the complex responsive processes approach? And what does this mean for my understanding in relation to my research question?

The way I performed the analysis of my narratives, can be compared to the hermeneutic cycle that constitutes of reading, reflective writing and interpretation, as explained by Kafle (2011).

The writing and the re-writing of the narratives as well as the writing of four narratives related to a specific theme gives this study a repeatable character. Combined with a detailed description of my analysis, reflections and my own learning process, makes this type of study suited for the academic discourse. Furthermore I shared and discussed my narratives including the analysis and reflections with fellow researchers and my supervisors in what is called a learning set. We met three to four times in a year. One question for all students was when would a narrative including analysis and reflections be finished? (i.e. approved by a supervisor). According to Homan (based on personal communication) an important aspect is to answer the question: does the narrative describe a concrete case of experience? Am I writing about what I experienced, thought or felt? Did I make a description or make a judgment of my experience?

Throughout the writing process I kept asking myself: is this what I am writing down a narrative in the sense of a story opening, building up the tension, unexpected events and a plot? I also had to learn to balance the amount of relevant literature to include in my narratives, by questioning over and over again: why is certain literature relevant for my thesis? Why do I write this down in my thesis?

A final but important question is: does this type of research leads to new and interesting insights for the academic discourse? Regarding this question Tsoukas (2003) argued that new knowledge emerges when practitioners seek to turn an unreflective practice into a reflective one through reflexive social interaction. Groot (2016) states that reflexive behavior of a person can lead him or her to other forms of understanding about his or her place in the social context he or she is working in.

Alvesson and Sköldbberg (2009) write about 'truth claim' of a narrative itself and the analysis of it according to criteria of validity stipulated by the researcher. They emphasize that even if the story is not exactly how the event has progressed, it can still have its value and does not change the essence (Alvesson and Sköldbberg, 2009). They postulate the question if there is a difference in interpreting one's own narrative and an interview that is reproduced by the interviewers? Groot (2016) reflect on this question by stating that during the primary interpretations, the narrative writer knows what he/she sees, where the interviewers might sometimes wonder what somebody else's reflection looks like and what they are looking at, even when they are in a position to ask clarification and even when the interview is taped.

From the complex responsive processes perspective reality and truths are not assumed to exist as phenomena outside of the interaction between individuals. From the interaction itself local constructions and experienced realities can emerge as 'our reality' and/or 'our truths' (Stacey, Griffin, 2005). Allard-Poesi (2005, page 172) states that there is no 'one best way' to represent reality and even if there is some order 'out there' in organizations, we can never be sure we have discovered it.



### 2.7.2. Reliability and validity for this type of practitioner research

In section 2.3 I stated that the type of practitioner research I am undertaking has far reaching consequences for the way relevance, the external and internal validity of the research is established.

Heikkinen, de Jong and Vanderlinde (2016) argue that post-modern theories have challenged the detached observer role in research, thus opening doors for practitioner studies that involve everyday problems and relationships. They defined practitioner research as the intentional and systematic inquiry into one's own practice, that focuses on both the development of local knowledge and public knowledge (academic contribution).

Johannessen (2013) questions how to uphold consistency in research and at the same time distinguish between different ways of knowledge and separated, different views of validity and reliability. Sparkes (2001) elaborated on the concept of validity and he presented four perspectives: replication, parallel, diversification and "letting go". Each of these perspectives has its own criteria for validity, a different position of the researcher and difference in method (see table 2.1).

The replication perspective does not see quantitative and qualitative views on validity as incompatible. The parallel perspective assumes that qualitative research represents an alternative paradigm to quantitative research and therefore a set of unique criteria needs to be developed (see table 2.1), although these criteria end up creating adaptations of positivist empirical criteria (Correa, 2013).

For this study the diversification and "letting go" perspectives are relevant. According to Correa (2013), Sparkes (2001) uses the term diversification for those types of research that reject the traditional concept of validity because the vision of truth is based on notions of coherence and pragmatism. The diversification perspective considers no universally accepted notion of objective truth; instead it is socially constructed within a particular community and discourse and within a specific historical frame. Researchers have to adopt an open perspective towards multiple approaches on validity, which according to Sparkes (2001) have to fit with the type of research undertaken. Evaluating research becomes thus a personal and interpersonal matter rather than a methodological issue (Reason, 1981, cited in Sparkes, 2001).

<b>Perspective on validity</b>	<b>Criteria for validity</b>	<b>Position of the Researcher</b>	<b>Method</b>
<b>Replication:</b> similar to quantitative research	Construct-, internal and external validity, reliability.	On a distance	Experimental and falsifying
<b>Parallel:</b> alternative paradigm to quantitative research	credibility, transferability, dependability, conformability.	Observer	Member checking and observation
<b>Diversification of Meanings:</b> pluralism & social constructed	E.g. negotiated, ecological, communicative, reflexive, pragmatic	Participation, political engaged	Narratives and chronicles with autobiographical elements
<b>Letting go of validity:</b>	E.g. evocative authentic, believable, plausible, faithful	Auto-biographical	Narratives

Table 2.1: Different perspectives on validity based on Sparkes (2001).

The “letting go” perspective suggests that we should abandon the concept of validity, which reasoning is followed by Denzin and Giardina (2008), who named such a perspective “non-foundational”. Looking at the “letting go” perspective, validity is not the primary criterion to determine the value of a study. Sparkes (2001) points here to auto-ethnographic research, where the moral, ethical and political consequences are of greater interest to evaluate the research. In section 2.6 I explained that the complex responsive processes theory is in essence a form of auto-ethnographic research. Following Sparkes (2001, page 543) this implies that I reject methods as guarantors of truth and that validity lies in the skills and sensitivities of the researcher how he/she uses herself as knower and as inquirer.

Within the diversification and “letting go” perspectives validity can be considered as a process validation, because emphasis is placed on interaction, negotiation, reflection, consensus and embedding in the original (working) situation, while at the same time acknowledging the autobiographical fundament of experience and understanding (see table 2.1).

The diversification and “letting go” perspective take our daily complex practice into consideration as well as the role of each person involved. Thus a link can be identified to the complex responsive processes approach. Sparkes’ (2001) development of the diversification and “letting-go” perspectives and Denzin’s and Giardina’s (2008) “non-foundational” perspective can be interpreted as a step to break with the dominant objectivistic paradigm of the academic community. The very core of the complex responsive processes theory is that it radically moves away from instrumental views on theory and practice.

Sparkes (2001) argues that each of his perspectives must be regarded as worthy of consideration in its own right and that the coexistence of these four perspectives is possible, despite their differences. Correa (2013) shares this argument of Sparkes (2001) and argues for pluralism within qualitative research.

### 2.7.3. Ethical issues

Writing narratives about my daily working experience implies an ethical issue, which needs to be dealt with. According to Stacey (2011, page 488) a researcher who is writing about his or her experiences of everyday working activities will find it hard informing other people that he or she might possibly write about what they are doing together. The best I could do is to inform colleagues in general about what I was doing and write about the experience in a way that does not reveal their identities, but still presents a reliable account of what is going on. Although the people involved in my narratives are made anonymous, for a reader, which is more or less familiar with the organizations I worked for, it will be obvious who are meant. A condition for an ethical responsibility is that the people involved are aware about the research, are informed about what is written about them and have an opportunity to react to it. Moreover, they should give their consent before publishing the narratives.

My experience is that people do not always agree to what I wrote about them. It is my impression that people felt embarrassed, because in their view it felt as if I held up a mirror and confronted them with the effect of their behavior. To agree or to disagree is an option in this ethical matter. I take the point of view that the narratives I used in this study are my own lived-through experiences and these include the emotions I felt.

A consequence of taking the complex responsive processes perspective to perform a study is that we come to understand an organization as iterated patterns of interaction between the people involved. These interactions are about harmony and cooperation as much as about conflict and competition and this study will demonstrate that communicative interaction, both with customers as well as between the people in organizations, does not constitute some harmonious whole.

To support the narratives that are described in the upcoming chapters, I saved relevant (raw) data (e.g. emails, minutes, notes), from which it is possible to verify and re-construct the respective narrative.

## **2.8. What to expect from this practitioner oriented study?**

According to Desphande, Farley and Webster (1993) the evaluation of how customer oriented an organization is should be judged from customers rather than from the company itself. They suggested considering the more deeply rooted set of values and beliefs that are likely to reinforce a customer focus.

In section 2.2 of this chapter I referred to Gummesson, Kuusela and Närvänen (2014) who suggested focusing on all stakeholders when investigating customer orientation. The complex responsive processes approach offers the possibility to focus on all stakeholders, because human interaction of all persons involved are studied. The perspective acknowledges the context-dependent and local nature of human action.

Studying customer orientation from the complex responsive processes perspective is according to Agar (2013) a 'lively science', while the researcher is in constant interaction with other agents. This research represents a style of thought, which is focused on becoming instead of being, on relating instead of positioning and on organizing instead of organization (Chia, 1995). Staying close to the original experiences as described in the narratives allows reflective research to be a vehicle to gather new insights about human social action (Homan, 2016) and thus will enable me to find an answer to the research question.

According to Mowles (2011) this way of doing research will make me more skillful at paying attention to and describing the quality of my participation at work, while at the same time I am exposed to the necessary discipline of academic research.

I experienced it, as a challenge to write about that what developed in my mind, in such a way the reader is able to understand my movement of thought. During this study I am accountable for my learning process and I must become aware of the changes in my own thinking as well as the way I work. The self-reflection, writing and re-writing of the narratives potentially triggered a large number of possible explanations for the experiences described in my narratives. In my role as the researcher I took responsibility for the many interpretations and choices I made, of what could have been and can become possible. Explicitly describing the reflections during the research process made it possible to keep up with the learning process of me as the researcher and to make transparent how changes in understandings evolves in research practices over time (Flyvbjerg, 2001).

In the following chapters three narrative analyses are performed. The three narratives in the upcoming chapters were part of my daily working life as a person who is commercial responsible for customers. The narratives from chapter 3 and 4 represent the challenges I described in chapter 1. The narrative of chapter 5 describes a similar situation as the narrative from chapter 3, but in a different organizational environment, thus making comparison possible. All narratives were my lived through experiences during the period of this study (September 2011-June 2016). The first two upcoming chapters (3 and 4) describe the acquisition and realization of a technical project and investigates customer orientation in relation to one of the various strategic orientations of manufacturing companies as described by Gebauer, Gustafsson and Witell (2011). In Chapter 1 I referred to different strategic orientations of companies: market orientation, production or manufacturing oriented and a product centric orientation. Gebauer, Gustafsson and Witell (2011) argue that manufacturing companies are redirecting their efforts towards customer centricity, as well as from goods to services. An example of this trend is described in the next chapter (3), where I will discuss the acquisition of a project after our company decided to not only sell goods, but also (engineering) services. During the acquisition process we will see the relevance of value based selling as a specific behavior for sales persons. Value based selling means transforming a firm's value proposition into sales performance in business markets (Terho, Eggert, Haas and Ulaga, 2015).

The two narratives in chapter 3 and 4 describe a journey of discovery of a customer and a supplier, who need to work together to realize an innovative new product. Both for the customer and the supplier it is the first time they got involved in such a co-creation project. In both companies there are no fixed defined working procedures how to deal with such a situation. The complex responsive processes perspective is suited for such a situation as it provides a way to describe and analyze the interactions between all persons involved in such a co-creation project.

Chapter 3 and chapter 4 also describe a customers' active role as co-creator of value, as explained by Gummesson, Kuusela and Närvänen (2014, page 231). Gebauer and Kowalkowski (2012) state that many capital good manufacturing companies have changed their organizational structures in order to become more responsive to customer needs. They argue that (business-to-business) customers tend to focus on the relational processes with their suppliers. Such relational processes concentrate on value creation and increasingly focus on bundles including capital goods and services rather than only supplying the product. Porter (1985) stated "competitive advantage grows fundamentally out of the value a firm is able to create for customers". Chapter 4 describes how we succeeded in such a way that our customer perceived value from our offerings.

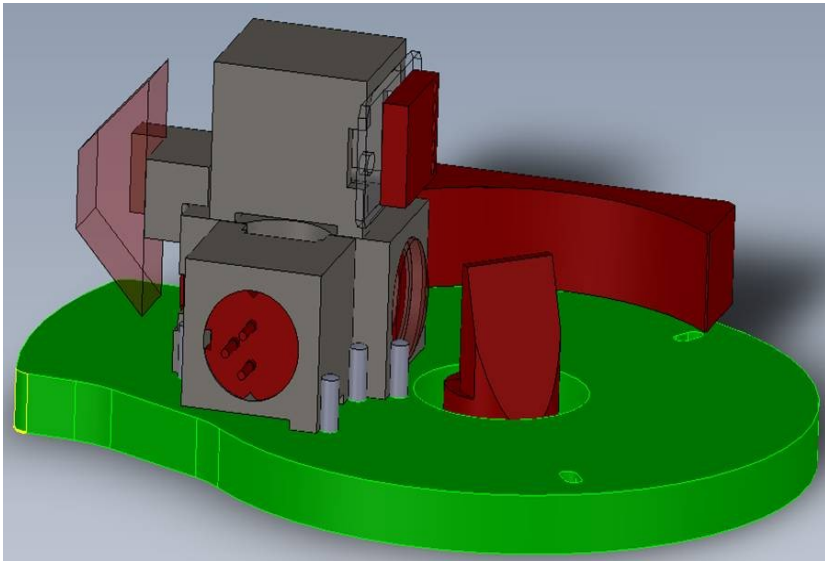
From the two narratives of chapters 3 and 4 we will see that other relevant themes emerged, like organizational change (as it really happens), (technical) innovation as well as a link with the resource-based view.

After chapter 4 I changed working environment and this offered a great opportunity for comparison that will bring a new dimension to the thesis.

# Chapter 3

## From Acquiring an Order to Realization of a Project

### Project 2



### 3.1. Introduction

The purpose of this chapter is to give insight in the abstract value customer orientation at individual employee level as a first step towards to find an answer to the research question.

Peccei and Rosenthal (2000) concluded that although programs designed to strengthen customer orientation among front-line service workers represent one of the most common forms of culture change initiatives, little is known about how employees react to interventions of this kind and why they react as they do.

A different way of investigating this and putting the customer at the center of attention can be found in taking our day-to-day commercial experience seriously according to the complex responsive process approach.

Based on a narrative inquiry, this chapter explores how customer orientation is becoming in ordinary daily organizational life, by investigating what people do and not do when they interact with a customer. As explained before, patterns of interaction between people are investigated, who work in different departments of an organization and who have to fulfill customer requirements. The reflection process is described in section 2 and section 3 and is located in a broader discourse of management theory, specifically related to literature about customer orientation. In section 4 the research implications are discussed and first findings of the complex responsive processes perspective are compared with traditional literature findings on customer orientation.

In the following two paragraphs I first explain why we choose to acquire this particular project as well as the initial expectations from the customer.

#### 3.1.1. The challenge

This narrative describes a design for manufacturing project of a technical concept. A conceptual design was made by our customer. Acquiring and realizing this type of development project was new for our organization. The core competence of the company I work for, is the development and manufacturing of optical components and optical assemblies, such as for example a-spherical lenses and laser modules. Acquiring a project as described in this chapter is part of a new strategy and is an example of service differentiation in a manufacturing company. Gebauer, Gustafsson and Witell (2011) examined the relationship among the complexity of customer needs, customer centricity, innovativeness, service differentiation and business performance. Their study comprised a survey among manufacturing companies who made the transition from pure goods supplier to service provider. They concluded that service differentiation is a pre-requisite for the relation between complexity of customer needs and customer centricity. Management of our company made a strategic decision to offer engineering services next to the existing manufacturing capabilities, after exploring its resources and capabilities.



The objective of this decision is to move higher up in the value chain, thus being able to create long-term relationships with customers. The perceived result is a continuous flow of orders instead of having to acquire each order individually by selling optical components.

### 3.1.2. Customer expectations

The potential customer worked for several years on a conceptual design and made several prototypes to prove the functionality of the design. Our expertise was asked to make the conceptual design suitable for series production. The customer expected added value, specifically in the field of our knowledge and experience of developing and producing optical assemblies. After the development period the intention is that our company will produce the entire assembly during the years to come.

We had to learn about technological concepts, which were used by the customer, since he was the one who had experience with the conceptual design. This process shows parallels with the concepts of Prahalad and Ramaswamy (2000), who argued to use customers as a source of competence. In their view the competence of customers is a function of knowledge and skills they own, as well as their willingness to engage in an active dialogue. What matters in the technical environment I am working, is that two joint problem solvers create a unique value. Using the thinking of Prahalad and Ramaswamy (2000) my aim is to study customer orientation as one of the various strategic orientations of manufacturing companies. Gebauer, Gustafsson and Witell (2011) suggested that a customer orientation, combined with innovativeness favors ideas that more accurately satisfy the increasing complexity of customer demands.

Besides developing a business relation with our customer, our challenge was also to learn about the technology our customer requires. Within the customer relationship management research, the customer intimacy perspective is studied and is aimed to create superior customer value by managing business relationships (Tuominen, Rajala, Möller, 2004). In business marketing, relationship learning is used to describe all interactions (e.g. values, information, common language) between two organizations (Lai, Pai, Yang, Lin, 2009). They state that the goal of relationship learning is to create a better collaborative relationship between business partners. Managing business relationships will be an important element throughout this narrative.

### 3.2. Acquiring the order

Every major sales deal starts with the recognition of a business opportunity, a so-called sales lead. In this particular situation a representative from the customer met us on an exhibition, where our company participated as exhibitor. This person happens to be a former colleague of ours. He knows our company from the period that our company was still part of a bigger multinational. He was recently appointed business development manager at our potential customer.

About two months after the exhibition, our former colleague approached us with two technical requests. These questions were discussed in our organization at the moment I joined the company. We all agreed that the questions look very serious, but challenging for us and we decided to set up a meeting with the customer. Just a few weeks after I started, I visited this customer for the first time with a group comprising our business development manager, our vice-president technology (VP-Technology) and one of our system architects. Technically we were able to prepare our visit well, since the customer sent us his requirements before the meeting. We did not discuss beforehand the role of each of us at the customer, except that our business development manager would present our company.

Upon arrival it appeared that except our formal colleague, whom we met at an exhibition, a project manager and also three members of the board of directors were present: the chief executive officer (CEO), the chief operations officer (COO) and the chief technology officer (CTO).

After a short personal introduction, the formal part of the meeting started with a general presentation of each company. The business developer from the customer gave the introduction from the customer side, while the CEO made additional remarks and answered most of our questions.

The company introductions were followed by another presentation from the customer's business developer (our former colleague), who described in detail the problem (our future challenge). Most important part of this presentation is that we gained insight into a 'must' and a 'wish' requirement specification of the customer as well as restrictions, expressed in euro's, for the bill of material. The latter was a clear indication of the maximum price of the future product.

After this more general introduction a discussion starts between our VP technology, our system architect and the technical persons from the customer. The CEO and COO leave the meeting at this point in time, because of the technical nature of the discussion. Our business development manager and I sat a bit aside, because also for us the technical details of the discussion were too difficult to understand. I observed the technical

discussion and made notes of what was being discussed. I noticed there was no pre-determined way for this technical discussion. No one, not even the CTO from the customer, was taking the lead. The four technical persons involved in the discussion just set around together and had a highly technical conversation. They seemed to listen to each other and were responding to each other's questions. For us, as potential future supplier, it was important to get as much information to judge the make-ability of the conceptual design. During this part of the discussion I noticed that the input of our system architect was valued very much. In clear words and an understandable way he explained his view on the presented challenges.

The meeting ended with a summary of the various discussions. At this point the CEO and COO joined the meeting again. A list of agreed action points was made and based on this information as well as my notes, I wrote a detailed visit report and sent this to all participants of the meeting. Since we realized that we were confronted with a new and difficult challenge, we tried to gain time and managed to agree upon a reaction within two weeks.

Back home, the enthusiasm, turned into doubt. Our VP technology showed hesitation and also our business development manager expressed his doubt whether we are capable to execute such a complicated project. After a few days, our VP Technology came up with a suggestion. He had looked around in our company and realized that some employees have a common work experience in developing optical pickup unit (OPU's), which is an essential part of a CD/DVD recorder. This particular project we wanted to acquire showed similarities with the development of an OPU.

A week after the visit to the customer a meeting was scheduled, with our VP Technology and my superior manager (VP sales & marketing) to discuss how to continue with this project. Our VP Technology took the initiative to also invite some of the persons who used to work on OPUs. He started the meeting by summarizing the challenge we were facing and the reaction of the technical people who were present was enthusiastic. My superior manager was listening and observing and at a certain moment he made the remark that it looks like we can make serious money by acquiring this project. We decided to give it a try and work out a preliminary proposal and chase the order. In the mean time our system architect thought about the inquiry from the customer and was able to present already several possible conceptual solutions. During this meeting the important decision was taken to appoint a project manager and form a project team. The team comprised of two system architects, a lead engineer applied physics and a process technology engineer. One of the system architects was a retired researcher with many years of experience in the field of designing optical measurement setups. Most of the other project team members worked on optical pickup units or CD/DVD related

technology.

Shortly after the meeting our project manager started to work on a project plan, an important element as it is a prospective story, setting out the different stages of the development journey. In the meantime the system architects continued to work out the conceptual ideas, which were presented during the meeting. For me these ideas showed our capabilities and I intended to use them for my next visit to the customer. Upon my request one of the system architects prepared a document for me, in such a way that it was easy for me to explain our ideas to the customer.

One month after the first visit I travelled to the customer again, this time with a preliminary proposal, comprising a first project plan with cost estimates and the technical information that I received from our system architects. My main objective for this visit is to verify if the customer realizes the amount of money involved in such a project (approximately €1.000.000) and that the realization of this project will take about one year.

To avoid loss of time and momentum I decided to tell the customer that we have capacity available to start within six weeks. This was a decision I took by myself, to verify the sense of urgency with this customer. The meeting at the customer took place with their business development manager and their project manager.

After explaining the purpose of my visit I presented a preliminary project plan as well as the first conceptual ideas from our system architects. The project manager was visibly shocked when I mentioned the estimated amount of money for the project. The business development manager calmly referred to how much the development of the prototypes had already cost and explained that the presented project cost is to be regarded as out-of-pocket money.

I returned to the office with an approval from the customer, meaning that the customer is aware of the amount of the required investment. We agreed to have our final project proposal ready within another two weeks.

During the meeting I also suggested a visit of our CEO and combine this visit with the presentation of our project proposal. This idea came to my mind, since the involvement of the board of directors from the customer side was high. My suggestion was highly appreciated and before I arrived home I had received an email with suggestions for possible dates and after checking with my CEO we agreed on a date. However just a few days before the scheduled meeting, our CEO cancels the meeting because of other (more important?) obligations. I felt upset and confused and asked myself what could be more important than to acquire this large order, which was also the first one on our road to service differentiation. I managed however to organize a new date. The two CEO's would now meet two days prior to presenting our project proposal.

At the meeting of the respective CEO's, my superior manager was also present. He told me

afterwards that he was impressed by the customer's site, especially how clean and paperless the production environment was. He signaled also something else: when the CEO of our customer indicated or started to say something all others who were present stopped talking immediately.

Two days later the meeting took place where we presented our project proposal, which was done by our project manager. Unfortunately our final project proposal was not completely ready yet. In polite terms the customer's CEO expressed his disappointment about this.

Upon my return I decided to finish the work on the proposal immediately. The type of quotation I had to write was new for my employer. A project proposal, where we offered extensive engineering services, together with a corresponding development agreement (contract) was not made before. While writing I had intensive contact, with our project manager, VP Technology, business development manager and my superior manager as well as our Chief Financial Officer (CFO) and our CEO. They all commented the proposals I wrote and gave me suggestions for improvement. After three days two documents were sent to the customer: a quotation describing our technical proposal and a corresponding development agreement (contract). I felt pleased with a compliment from my superior manager that in his view I set a new standard for quotations for our company.

In the next days I mainly worked with the customer on the details of the development contract; the technical proposal as laid out in the quotation apparently seemed OK.

Ten days after sending our proposal and the contract, the management of the customer requested a conference call with our management. Our VP Technology and VP Sales & Marketing as well as our project manager and I were present during this conference call. I acted as chairman of this meeting. The result of this discussion was a slightly modified proposal from our side, which was sent a few days after the call. In the meantime the customer performed a check on the overall financial situation of our company. This financial check raised questions and I found it necessary to involve our financial director (CFO) who prepared a statement about our financial position. A few hours after sending the financial statement, we received a written approval from the customer. The official order we received a few days later.

### 3.2.1. Understanding and making sense of what happened

I wrote this narrative at the time when I was just a few months working for this organization. The story covers key elements as described in project 1: (1) cooperation between a commercial and technical department combined with the importance of understanding and addressing customer needs and to align everyday efforts with the ultimate goal to satisfy and retain end-customers, (2) how results emerge through interactions without having a pre-defined plan, (3) the role of management, (4) value creation.

At the start of this project, I hardly knew the capabilities and competences of the organization I was working for, nor did I know the people working for the organization. During the acquisition process of this particular project I had to learn to find my way in the organization and adapt myself to the rules and procedures of my new employer. However I brought with me my experience dealing with this kind of sales challenges.

During the first visit to this customer everybody seemed enthusiastic, and then after some time 'at home' the atmosphere turns around. As explained before this type of project where we needed to develop an assembly, was new to us. After the visit to the customer the actual question from the customer became clear and it was mandatory to respond to that question. Once our VP Technology realized we had the appropriate technical knowledge available in house, all hesitation seemed to have disappeared. And once my superior manager suggested during a meeting that he saw a chance we could win a serious project, the person's involved started to act. To me it seemed as if everyone involved was waiting for someone from management to give a start signal. After the decision to go and chase the order, sales (me and my superior manager) were taking the lead in the process of acquiring the order. As a sales person I have experience and I feel comfortable with thinking along with a customer resulting in a satisfying solution for the customer and at the same time fitting our capabilities. This way of selling requires patience as it implies long sales cycles (from several months up to a year).

In the following sections I connect my thinking, acting and observations to academic literature to provide an understanding of the events as they happened.

### 3.2.2. The sales process

A logical first step is a reflection on the sales process, since the first step was to acquire the order. Saxe and Weitz (1982) explored two contrasting orientations by which salespeople interact with customers: sales versus customer orientation. Sales orientation involves persuasion and "selling to" customers, whereas a customer orientated sales approach is more about "interacting with" and encouraging customers to talk about their problems in such a way that the salesperson can figure out the needs of a customer and bring them in touch with solutions to their problem. Saxe and Weitz (1982) further state that salespeople who are customer oriented adopt the marketing concept and that customer orientation is especially beneficial for complex buying tasks. According to Bagozzi et al. (2012) salespeople who are more customer-oriented instead of sales oriented, tend to be excited, curious, and vigilant when customers interact with them. Saxe and Weitz (1982) characterize this as the "free-flow of information," which means that sales persons make suggestions for new product solutions to customers, when they are confronted with challenging questions from customers. Prior to proposing a solution, customer-oriented sales persons verify in their own organization if the solutions are feasible. An example of this is my meeting with the customer where I discussed our first

conceptual ideas and budget.

In the particular situation of this narrative, the customer's buying center comprised multiple parties with individual perceptions of their firm's actual requisites and constraints. To be effective I needed to understand the reasons for all the different interpretations of a problem, factors inhibiting buying, and implications for sales. In such environment customer oriented behaviors, such as identifying customer needs and adapting the offer, become key elements in building relationships (Homburg, Müller & Klarmann, 2011).

During the acquisition work I felt support from our former colleague who was appointed to business development manager at our customer. Building a business relation started here, as I figured that the business developer from the customer and I shared a common goal. His success (getting a new product on the market within a relative short time) was our success (getting the order). Both him and me were relatively newly appointed in our respective organizations. In my view the business developer from the customer played an important role bringing the two companies together. What it means to build a business relation will be further explored in this study by investigation the interactions between the persons while putting forth the question how a relationship emerges.

From the non-verbal communication signs of the customer's CEO, I sensed the disappointment after he learned that our proposal was not ready on the agreed date. At that moment I decided to give the work on the proposal my highest priority, so our proposal would arrive within a couple of days after our visit.

From the insights I gained during the meetings with the customer and other forms of customer contact, I was able to learn why and how this customer is buying. This enabled me to co-create an acceptable proposal (solution). The solution we proposed was also based on the co-creation principle, a concept that is explained by Vargo and Lush (2004).

Verbeke (2005) states that if a professional is able to win trust of influential persons inside a firm, it is possible to bring under attention (read: sell) knowledge based services. A salesperson who is perceived as knowledgeable by the customer, becomes in the view of Verbeke (2005) a trusted advisor. Trust, expertise, persistence and acting as a sounding board are the means of a professional to create a position as a trusted advisor (Verbeke, 2005).

During the sales encounter I tried to influence the sales process to my benefit, while for me as a sales person my objective is to win orders and by doing so I generate production load (work) for my employer. Homburg, Müller & Klarmann (2011) describe how a sales process can be influenced. They defined five stages of a sales encounter, where in each stage different behaviors are demonstrated.

- (1) Identification of the need of the customer (behavior aimed at identifying needs), which was done by discussing the questions from the customer first internally in our organization and with the customer during our first visit.
- (2) Presentation of possible solutions (communication behavior), which we did several times until the final proposal was sent.
- (3) Dealing with objections to the presented solutions (behavior aimed at stimulating customer objections and disagreement with the objective to find an integrative solution). We did not experience a tough negotiating. Mainly the conditions for the project as laid out in the development contract were discussed.
- (4) Finding a compromise between the interests of the supplier and the interests of the customer (behavior aimed at finding an agreement).  
It was during the conference call with the management team (page 69), where I concluded that our customer was looking to find an agreement.
- (5) Closing stage. After modifying our proposal and supplying additional information, this stage went smoothly.

The above stages are a sense making of what happened in retrospective. What actually happened during the acquisition process can be described as a continuous shifting of interests and negotiation between internal and external relations.

### 3.2.3. Achieving a perception of Value Creation

Our customer was looking for a solution for a problem that could not be solved by his own organization. The conceptual design of the product took our customer already three years. The impression we got from remarks made by the customer's CEO is that he strived for a fast market introduction. To achieve this, a partner needed to be found, who could make the design ready for production and produce the design at competitive cost.

When defining our proposal we were aware of the importance to create a perception of our added value. The CTO of our customer asked several times during meetings how he could stay in control over his company's design. With this question I think he expressed his worry about our added value. Grönroos and Voima (2013) stated that value is perhaps the most ill defined and elusive concept in service marketing and management. They suggest that value creation might be described more accurately as value emergence. When value is perceived as *value-in-use* for the customer, the focus is no longer predominantly on a customized bundle of products exchanged for a price. Instead value creation becomes, according to Grönroos and Voima (2013), an ongoing process that emphasizes the customer's experiences, logic and his ability to extract value out of products and other resources used. In other words: the customer is a value creator.



When defining our proposal we had to deal with many uncertainties, let alone that this type of project was new to us. At the beginning of this chapter I explained that our core competence is producing optical components and to a lesser extend optical assemblies.

As the development of the product continued in time our added value emerged in the eyes of the customer. Although the CTO of our customer always asked critical questions, he began to give compliments, even showed his appreciation and accepted our proposed solutions, as will be described in section 3.3. In this particular situation value emerged through the interactions of the persons involved rather than intentionally created by a plan. In chapter 2 (section 2.4) I explained that emergence is a key element within the complexity science.

#### 3.2.4. Cooperation between the commercial and technical department

The aim of this chapter is to shed light on customer orientation in practice for the entire group of employees (including managers) involved in this project. Without the cooperation of the technical department it would have been impossible to present a winning proposal. The project was new for us and many technical things were unknown at this stage. Through interaction of all persons involved, ideas arised, which I could present to the customer. Acceptance of our ideas by the customer we interpreted as a success and this created feelings of assurance and motivated us to continue to work on a solution.

The members of the project team who worked on the technical proposal comprised persons of which each had a unique technical expertise, required to solve the technical challenges put forward to us by the customer. Each project team member contributed from his specialism to the one collective goal of defining a project proposal while at the same time each team member was interdependent from other team members. In my view there was also a latent social learning process during this phase of the project.

Weick and Roberts (1993) developed a concept, which they named *collective mind*, to explain organizational performance in situations, which require continuous operational reliability.

Looking at our situation of acquiring the order we only had one chance to present a winning project proposal. We could not afford mistakes. In my view we were also in a position of continuous operational reliability during acquisition of the order.

According to Weick and Roberts (1993) organizations, with what they call 'developed mental processes', may spend more time and effort organizing for controlled information processing, mindful attention and heedful action, which enables people to understand more of the complexity they face. The word 'collective' refers here to the individual participants who act as if they are a group. The word "heed" captures an important set of qualities of mind. Weick and Roberts (1993) stated that people act heedfully when they act careful, critically, consistently, conscientiously, persistently. I experienced that in this phase of acquiring the order, all participants were acting heedful, given the high amount

of uncertainty and the high risk of not winning the project. In this particular case the idea of winning a major order was a strong stimulus for every person involved in this project.

Weick and Roberts (1993) also found that the quality of collective mind heavily depends on the way insiders react to newcomers. Our project manager and our system architect helped me by explaining their conceptual solutions extensively, in a way that these were easy to understand for me so I was able to present them to the customer. For me, being new in the organization, this support was important.

Looking at how all people worked together during the acquisition phase of this project, a link with the work of Weick and Roberts (1993) can be recognized. The concept of collective mind and heedful interacting gives an explanation of the social learning process in our project team, which eventually led to the order.

#### 3.2.5. The role of management

Acquiring this project is a completely different situation compared to a previous working experience, when I worked as a sales person in a research organization while this organization was in the process of becoming customer oriented (chapter 1, section 1.6).

Managers in that organization paid most attention to the institutional aspects of gathering and talking at formal meetings and special workshops, whereas in the current situation two members of the management team (our VP technology and our VP sales & marketing) actively participated in the process of acquiring the order. By doing so they helped to raise the skills and awareness of employees like me.

The long experience and knowhow of our company allowed our VP Technology to connect persons from different departments with each other. This group of persons understood the problem of our customer and was able to come up with solutions, which led to a winning project proposal.

Different departments in an organization (e.g. sales, R&D, supply chain management) each have their own objectives, as if they are islands in the entire organization. In chapter 1 (paragraph 1.5.1) I referred to Homan (2006), who explains that these 'islands' are to be understood as informal networks in an organization. Something new will only happen if it is possible to make new connectings between the different islands in an organization.

In this narrative it was our VP Technology who realized that there are employees in our company who used to work on a technology, which was similar to the technology our customer used in his conceptual design. These persons were working in different departments of our company and by bringing them together our VP Technology created the fundament to make new developments possible. In terms of the metaphor of Homan (2006), our VP Technology made new connections between existing petri-dishes.

Our vice president sales & marketing (my superior manager) concentrated on how to communicate with the customer. His many years of experience with complex and long sales cycles in the telecom industry was of value when acquiring this project.

Each commercial step in the process of acquiring the order I discussed and evaluated carefully together with him, before contacting the customer. I was not requested to make an acquisition plan. Instead decisions on how to proceed were based on the outcome of each previous step. Here we notice a first link with the complex responsive processes approach, according to which the future is created in the living present.

### 3.2.6. Exploring the relevance of the complex responsive processes approach

Purpose of this paragraph is to provide an understanding of the events from the complex responsive processes perspective, where organizations are regarded as self-organizing patterns of communicative interacting and power relating between what people do in organizations.

The first part of this narrative showed how success emerged from local interactions between the persons involved. Uncertainty was a central structural element within the dynamic process of acquiring the order. Many things went on all at once and many new possibilities emerged. Among these possibilities it was impossible to predict which will most influence what will happen next, making it difficult to reducing the system's patterns to simpler causes and effects.

To explore more in-depth the events as they happened I refer to project 2 (section 2.3), where I explained that the complex responsive processes approach is constructed around three aspects: social acts as defined by Mead ([1934], 1962), power as found in the work of Elias (1991) and the self-organizing emergent nature coming from insights in complexity science.

According to Mead ([1934], 1962) people communicate through gestures and responses. Stacey (2011, page 331) explains this as follows. Each gesture from a person calls out a response from another person. That response is a gesture back, evoking a further response. What we then have is an ongoing responsive process. Stacey and Griffin (2008) explained that gesture and response together thus constitute a social act. According to them, Mead defined social act as involving the cooperation of many people in which the different parts of the act undertaken by different individuals appear in the act of each individual. Mead ([1934], 1962) referred to buying and selling as an example of a social act. When our customer intended to have their design made and produced by us, this act involved a complex range of responses from me and other people, to provide what was asked for. And when I had to make the project proposal, I could only know how to make the proposal by being able to take the attitude, the tendency to act, of the other parties to the deal, being the different persons involved from the customer, our engineering department, our management. All essential phases of a social act of exchange

appeared in the actions of all involved and appeared as essential features of each individual's actions.

Shaw (2002) also draws attention to complex social processes in organizations. In her work she discusses joint participation in such processes. During the acquisition of the order, spontaneity, improvisation and lively sense making could flourish, as explained in the work of Shaw (2002). For example when we look at the agenda point 'technical discussion' during the first meeting with the customer, there was no detailed prescription how the discussion should proceed. In Shaw's (2002) vision we understood ourselves as engaged in the co-created, open ended, never complete activity of jointly constructing our future, as emerging courses of action that make sense of keeping on working together. This is, according to my observation, what happened during this part of the meeting and the knowledge we demonstrated during that meeting gave the customer the impression that we could be a suitable partner.

Mead ([1934], 1962) refers to the term generalized other to describe group processes. Zhu (2007) explains this as follows: when making a gesture, one does not simply call forth the response of another individual, but calls forth the collective attitude of the group one belongs to. Because people differ from each other, they particularize the generalized differently. The interaction between people amplifies these differences and the resulting patterns of interaction may evolve into new patterns and allow novelty to emerge. Stacey (2011) argues that diversity and interaction are the enablers to generate new possibilities.

Another aspect of the complex responsive processes approach is power. Elias (1991) points out that power is a characteristic of human relating, which arises in our relationships. In his view all relating can be understood as power relating. Although patterns that evolved through interactions continually moved into an unknown future, the project team members and I were not powerless. We did have influence on the events as happened. During the process of acquiring the order I was consciously trying to influence the course of events. I was relating to a community of person's without fixed boundaries. Elias (1991) named these power figurations. The power figurations I was acting within were the representatives of the customer (management, business development, project leader), my superior manager and the members of our project team. According to Shaw (2002, page 73) shifts in power figurations occur spontaneously and unpredictably beyond the control of any person or group. This is the nature of a self-organizing process. Each of the team members possessed power in the form of specific (specialized) knowledge. In this phase of the project our system architect worked out a theoretical concept, which was based on an understanding of the customers' design and the application. His solution was well received and accepted by the other members of the project team as well as with the customer. I was depending on the knowledge of our system architect and our project manager who coordinated all knowledge of the team

members. They shared their knowledge with me, thus allowing me to become a trusted advisor for the customer. The power differences between members of our project team were thus used in a constructive way.

Elias also uses the term established-outsider relationships as a more comprehensive concept to work out more clearly the common features of group domination and group subjection. As a newcomer to this organization I had to learn and adapt myself to the rules and procedures at my new employer. Even though identification with the new organization (the established group) resulted in ambivalent feelings, I followed the pattern of the established group. One of the reasons to accept the way things are in this organization was that I found a new job after a period of unemployment. I had experienced the difficulty of finding a new job. So I decided to accept the situation and from there I tried to make the best of it. In other words, I wanted to avoid exclusion.

### **3.3. The feasibility phase**

This section describes the first realization phase of this project. Now that the contract has been signed, the first part of the job, acquiring the work, has been done. From now on our project manager has the most important role, as he has to realize, together with his team of technical people, what was agreed upon in the project proposal.

Objective of this section is to examine the interaction between all persons involved in this project phase, while according to my previous working experiences, as described in chapter 1, it is during realization of projects where issues regarding customer orientation arise.

The purpose of this first project phase is to work out conceptual designs, with a proven make-ability. Our VP Technology stated that the feasibility phase is the most important phase of the entire project, while during this phase the fundament of the final design is defined. The feasibility phase offers also a chance to learn to know our customer better and understand the application in depth, by engaging in an active dialogue with the customer. For us as potential designer and manufacturer of the assembly this means listening and learning from this customer.

This project phase started in the last quarter of the calendar year and we had exactly three months to finish this project phase. Early January of the succeeding year, the results of the feasibility study were to be presented to our customer. The work packages comprising the feasibility study as were presented to our customer are shown in figures 3.1a, 3.1b and 3.1c.

## Project Phases – Feasibility – Work Packages

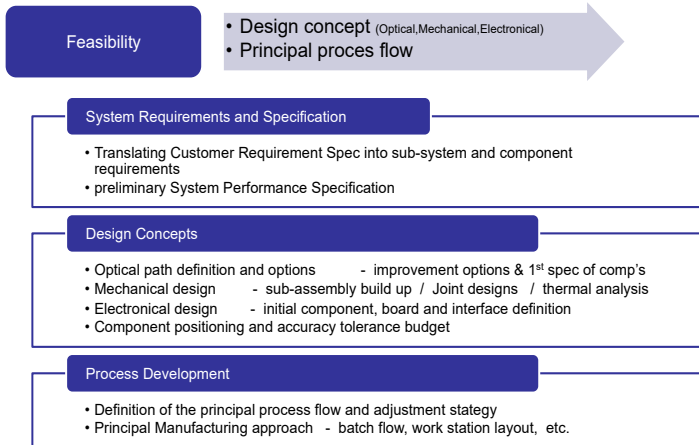
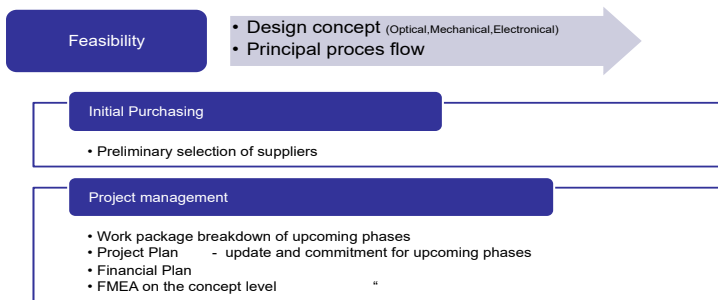


Figure 3.1a: Work packages belonging to the feasibility study.

## Project Phases – Feasibility – Work Packages (2)



The feasibility phase will be finalized by a milestone review meeting

Figure 3.1b: Work packages belonging to the feasibility study (cont'd).

## Project Phases – Feasibility – Deliverables

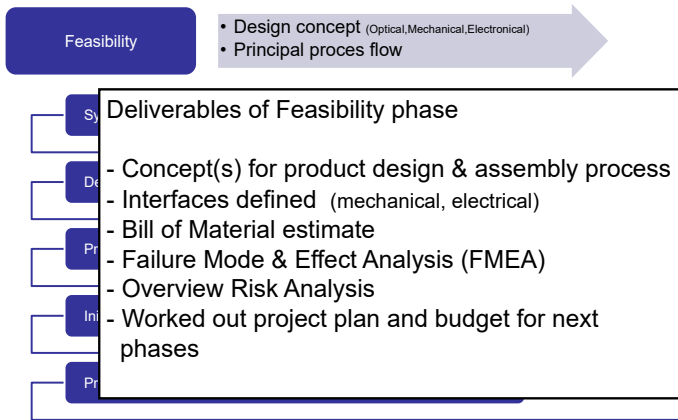


Figure 3.1c: Deliverables of the Feasibility phase

My superior manager asked me to stay actively involved in this stage of the project, while at the same time continuing my work with other (new) customers. In this phase of the project I consider my role as a liaison officer (account manager) between our company and the customer. Due to the change of role, this part of the narrative may seem more fragmented as the first part. I was not involved in all details anymore, but ofcourse I followed the progress of this project phase. I attended relevant meetings and conference calls with the customer and there were the many informal discussions with members of the project team.

### 3.3.1. Realizing the conceptual design

#### *Kick off meeting*

Having received written confirmation from the customer concerning the order, the project team started officialy with an internal kick-off meeting. All project team members including our VP technology and myself were present during this meeting. Our project manager chaired the meeting and he started with a summary of the objective of the project: the end result should be a cost-effective reproducible product. Next he explained his project plan and emphasized the allocated roles and tasks as well as the linkages with external actors (we needed to hire specialists from external companies). The project plan is a stylized story, with various characters and a minimal plot. Reduction of complexity and uncertainty are important to get a project started at all. Decisions to get something going were taken. However at this stage of the project, these decisions are themselves outcomes of earlier and less clear processes (Deuten & Rip, 2000).

While the meeting continues, I notice that the participants ask a lot of critical questions, but my impression is that all attendants see this project as a challenge. I base this conclusion on my observation that everyone is looking for solutions instead of seeing problems. The meeting concludes with the identification of two main technical challenges at the start of this project (in technical terms: the analysis of the optical path and how to design the required internal reference signal).

Our VP Technology reminds the participants of the main requirement of the customer: to measure fast and accurate. He also suggests to discuss with the customer where the work of our company stops, in other words: where do we interface to and what type of interface is required? And he asks if we already know or see technical issues, which might cause problems further on in the project. This last question remains unanswered. Also No-one mentioned the price objective from the customer.

#### *A first conference call with the customer*

A first conference call with the customer is organized to prepare a visit of the customer to our plant. Participants from our side are our project manager, our VP Technology, our system architect, an optical design engineer and myself. Participants from the customer are their project leader and a lead designer.

Prior to the call an agenda was made. Our project manager also sent a technical document but the customer's project leader and his lead designer did not have time to study this in detail, while it was sent just prior to the meeting and the day before the call was a public holiday in the country our customer resides.

Our project manager acted as chairman. I stay somewhat in the background. At the beginning of the call nobody seems to know where or how to start and after a while the customer starts by asking some questions.

Towards the end of the meeting I take the initiative and summarize what we discussed, and thus made sure that the action points are clearly understood by all participants.

One week later the project leader from the customer and a lead designer, who is the actual inventor and designer of the concept, visit us. They brought with them a working conceptual model of the design. Main objective of the meeting for us is to get a good understanding of the conceptual design and to obtain insights why certain technical choices were made.

The meeting had a high technical content and therefore I did not attend the entire meeting. During the moments I was present, I noticed the willingness to share information among the participants. This observation was confirmed one year later, during an audit from one of our other major customers when we received remarks that we are an enthusiastic and open-minded organization with a willingness to share information.



At the end of the two-day meeting our project manager made a summary of the main issues that were discussed. No action holders were mentioned in this summary. Despite remarks from our VP Technology, and me the minutes were sent to the customer without mentioning who was responsible for specific actions.

The customer requested to get the minutes of the meeting as soon as possible after the meeting. Shamefully the customer had to ask us the week after again.

After the visit, our management scheduled a de-briefing meeting. Our VP sales & marketing underlines the importance to maintain our high level of quality in communication we managed to achieve during the acquisition of the project. One particular topic arised during this meeting: to continue work between Christmas and New Year, if required. This leads to a heavy emotional reaction of our project manager and VP Technology. Family time and holiday plans were put forward as reasons. My superior manager just seemed to listen. After the meeting he tells me that he has the impression that his colleague managers in this company do not dare to speak up to their personnel.

Later I heard from my superior manager that he discussed the matter with our CEO and that the outcome of the discussion was that when work makes it necessary all leaves are suspended. In any case our project manager and I took our responsibility and continued to work between Christmas and New Year. We simply had to finish the end report of the current project phase, since our customer fixed the deadline. We even had a meeting scheduled during the days between Christmas and New Year, where my superior manager and the business development manager were present to discuss the status of the results, so that our project manager and I could finalize a report about our findings. Our VP Technology was absent due to private obligations but on request he was available via telephone.

### *Second conference call with our customer*

This conference call concerned a pure technical discussion. Our system architect, takes the lead as the call was organized on his request. The reason for the conference call is that our system architect made a design for a much cheaper alternative concept and he wanted to discuss the advantages and disadvantages of this new design. Although our customer appreciated that we think about the cost price, the reply was that in this phase of the project we cannot go too much into detail, as we did not discussed and investigated yet another important specification item. During the customer's visit a few weeks earlier, the importance of this specification item was made clear to us. Price advantages are useless, if the requirements concerning this specification item as defined by the customer cannot be met. Because our concept only exist on paper, it is impossible to verify at this stage in the project the specification item our customer referred to. So we had to postpone our ideas for a cost reduction until later in the project.

Towards the end of the call we were informed that our first invoice was paid, which was well before the due date of the invoice.

#### *Another Visit to the customer*

A week after the last conference call, a project meeting at the customer's location is held. Our project manager, our second system architect, who is specialized in optical measurement setups, a process engineer and me, visit the customer. For this system architect it was the first personal contact with this customer and he expressed his amazement about the open atmosphere in which the discussion takes place.

In the morning I had a separate meeting with two members of the management team of the customer. They stated that in all the new concepts that we brought up, there is none which meets the demands as set by the customer. We should concentrate on the make-ability of the current design. However the customer showed his appreciation on how the project progresses, and was especially pleased by how many ideas we generated, given the amount of time.

During this meeting I received a request from the customer to make a monthly management summary of the status and work done so far. I managed to convince our project manager of the importance of such document and together we wrote the requested management summary, which was presented to the customer one month after the start of the project.

I also observed something remarkable during this visit. One of our technical people made a remark that in his opinion the way the customer performed measurements is done in an unprofessional way. No verbal reaction came from the customer, but faces looked shocked. Later I explained to our engineer that in principle it is ok to make a remark like he did, but the way he said it should be more constructive, so the customer might accept the idea that they need to improve.

Upon our return from this visit, our financial director is annoyed when he learns about our travel expenses. Due to late booking of the flights, the ticket prices were high and exceeded the project budget. Even though the meeting was scheduled already during the visit of the customer a few weeks earlier and thus flights could have been booked well in advance, our project manager did not do this, while he took into account that the meeting could be re-scheduled. Management stated that train or car should have been used, as the travel involved more persons. This would have meant an overnight stay, which caused other problems due to private circumstances the management was aware of.




This incident resulted in increased control measures, demanded by both our CEO and CFO. On a weekly basis the technical and financial status of this project is now to be followed in a formal meeting. Our project manager has to make and present a weekly report. As a format a traffic light approach was chosen (see figure 3.2). However the

outcome (e.g. action points) and what happens with the results of the discussion never became clear to me. Neither my superior manager nor I are part of this meeting, only our VP Technology and our project manager are present.

When I asked my superior manager why a representative of the commercial department is not attending this meeting, his reply is that he does not want me to get involved in the technical status of the project. Upon my request our project manager shares however the details of the weekly report with me.

Besides the newly introduced control measures, our CEO and CFO showed no interest in this project. There were other, more urgent problems for the organization, which required the full attention from them.

## Optical Encoder Traffic Light Week 1209

	T I M E	<p>1. Main activity's :</p> <ul style="list-style-type: none"><li>- Design &amp; Engineering</li><li>- Proof-of-Concept prototype model: 2 models made, working fine</li><li>- Prototype of curved phase grating:</li></ul>	<p>On target.</p> <p>On target.</p> <p>On target</p>																														
	C O S T	<table><thead><tr><th></th><th>plan</th><th>actual</th><th>expected</th><th>in Keur</th></tr></thead><tbody><tr><td>Design &amp; Engineering</td><td></td><td></td><td></td><td>margin = %, invoiced:</td></tr><tr><td>Feb'12 (26/1-29/2)</td><td></td><td></td><td></td><td></td></tr><tr><td>Mar'12</td><td></td><td></td><td></td><td></td></tr><tr><td>Apr'12</td><td></td><td></td><td></td><td></td></tr><tr><td>Grating Prototype</td><td></td><td></td><td></td><td>separate order from customer, Mar'12</td></tr></tbody></table>		plan	actual	expected	in Keur	Design & Engineering				margin = %, invoiced:	Feb'12 (26/1-29/2)					Mar'12					Apr'12					Grating Prototype				separate order from customer, Mar'12	
	plan	actual	expected	in Keur																													
Design & Engineering				margin = %, invoiced:																													
Feb'12 (26/1-29/2)																																	
Mar'12																																	
Apr'12																																	
Grating Prototype				separate order from customer, Mar'12																													
	Q U A L	<p>1. First sample of curved grating prototype tested at Scanlab: acceptable performance</p> <p>2. Main challenge: manage the temperature sensitivity (or drift)</p> <p>3. BoM cost: critical on mechanical components and detector (custom)</p> <ul style="list-style-type: none"><li>- mechanical components: supply base inventarization &amp; discussion started.</li><li>- detector: ongoing discussion with 2 potential suppliers</li></ul>																															

**Figure 3.2:** Example of the introduced traffic light approach  
(note: figures and names of persons were intentionally removed).

### *Preparing the final report of the feasibility phase*

While the deadline of January is approaching, which is the date when the results of the current project phase are to be presented to the customer, I decided to schedule a meeting with our VP Technology, project manager and my superior manager to align the planning and work in order to be ready in time. It is our intention to present high quality work, bearing in mind that the customer paid around €150.000 euro for this phase of the project.

During the meeting we agreed about the layout of the final report, the timeline to be followed until the final presentation and we formed a reading committee to judge the concept report. I sent the minutes to all participants shortly after the meeting.

After the meeting my superior manager discusses with me the commercial outlines for the coming meeting in January. As a result I need to talk to our project manager, since he has to supply me with data about planning and cost involved for the next steps of the project. Our project manager does not have time to look into this, since he is very much involved in the current technical details of the project. I receive the requested information only after the Christmas period.

### *Final check with our customer*

Prior to meeting the customer another conference call was organized. The night before this call takes place, the minutes of the previous call and the agenda are distributed. Our customer makes a remark about this late sending.

I am however impressed by the content of the document; it looks well prepared and I am also impressed by the amount of work, which is done by our project team.

The conference call has again a very high technical content. Our system architect, motivated the choices we made with the design and this convinced our customer. I noticed that he has good didactical skills and I think our customer regards him as an authority within his field.

After the conference call our VP Technology, our project manager, our system architect and me, evaluated the achievements of the call. Our VP Technology states that there are still too many uncertainties at this stage of the project. Following observations were made: we did propose some new technical solutions, but did not agree upon further actions. Our project manager and our system architect replied that the customer does not have the answers anyway. This however appears to be an assumption, they never asked the customer. Our VP Technology mentioned that we do not ask enough question. He has the impression that when our customer makes a statement, we take it for granted instead of asking how our customer motivates a particular statement. He therefore suggests to ask questions such as for example: were certain measurements performed, which led to the statement?

He then summarizes his evaluation by saying that his four engineers had a nice technical discussion with the customer, but in his view did not make any progress. We agreed to put all our uncertainties as questions and action points for the customer in the minutes. However when I receive the minutes, no reference is made with respect to the remarks made by our VP Technology. I asked our project manager and he replied that certainties cannot be given in this stage of the project. I understood however the remarks of our VP Technology clearly as mandatory requirements for the project team. I wonder why nothing happened with the suggestions of our VP Technology and I will come back to this more in detail in the next paragraph.

The days between Christmas and early January were used to write the final report of this feasibility phase. During the meeting early January, we presented our findings of this project phase and we received permission from the customer to start with the next phase of the project: the design & engineering phase.

### 3.3.2. Themes for reflection

So far the technical persons of our project team came up with interesting technical conceptual ideas. However, according to our VP technology, these ideas have still too many uncertainties, considering the timing of this phase of the project.

In paragraph 3.2.4 I argued that during the process of acquiring the order the persons involved developed a collective mind and interrelating of all persons involved was considered heedful. According to Weick and Roberts (1993) collective mind is manifest when individuals construct mutually shared fields and is embodied in the interrelating of social activities. They state it is part of a pattern of interrelated activities among many people.

In this phase of the project I observed lack of reaction on a question from our VP Technology during the kick-off meeting of the feasibility phase (page 77), repeatedly delay of preparing and sending agreed meeting minutes, a blunt remark in front of the customer during a visit, as well as neglecting the feedback of our VP Technology after the third conference call with our customer. Feedback from key people was neglected and it seemed if activities were overlooked and interrelating became careless. In terms of Weick and Roberts (1993) the heedful interrelating declined, compared to the period of acquiring the order. They state that when interrelating breaks down, attention is focused on a local (single) problem, rather than the complete picture (or joint situation). The question is whether this decline of heedful interrelating was caused because the focus of our project team was too much on only the technical aspects?

Weick and Roberts (1993) further explain that events, which are not comprehensible, make interrelating more difficult. The question arises if the project we acquired is too complex to realize for us? Or was the decline caused by a shift in power relations, because our project manager felt convinced about the solution he and his team members found?

My observation is that people do not treat this project as a 'hot potato' by throwing it around in the organization, trying to avoid burning their hands. However as the feasibility phase of the project continues, I am wondering if there is one manager in our company who is following this project structurally. Is there a project champion? Is that supposed to be me? I certainly monitor the project both internally and towards the customer, while my objective is to insure that the project continues after finishing the feasibility phase.

To me it seems if our project manager draws his own plan and is not always sensitive for suggestions from our VP Technology. I wonder who is managing our project manager? Formally it is our VP Technology and he holds our project manager accountable for the technical aspects of this project, while at the same time I see our VP Technology thinking along with the project team.

Except for the project team, which is headed by our project manager, there is a working relation between my superior manager, our VP Technology, our project manager and me. We monitored the overall status of the project regularly and discussed both technical and business related communication aspects.

My superior manager holds me accountable for the commercial aspects of the relation with this customer.

The management style in this phase of the project I experience as more directive, both from my superior manager as well as from our VP Technology. Examples of this change towards a more directive management style are the remark from my superior manager about not attending the project progress meetings (page 82) and the increase of control measures (the weekly traffic light report, page 83).

### 3.3.3. Customer Orientation within the project team

The project team comprised all relevant technical persons required for the feasibility phase. I was not part of the technical project team, but I was interacting with all team member, however mainly with our project manager. This phase of the project can be characterized as a high contact setting. All members of the project team interacted with me as well as with our customer, through email, telephone and monthly face-to-face meetings. All these interactions concentrated on making a conceptual design for the product.

According to Cross, Ehrlich, Dawson and Helferich (2008) teams are important for generating and delivering value for a company. In their study they found that 63% of new product development teams are geographically distributed. The narrative of this chapter is an example of this finding. Our customer is located in the south of Germany and for the project team we needed to hire some expertise from external companies and these persons were not full time available in our office. Our project manager had the challenging task to manage this team and to handle the pressure of producing a result within a limited

amount of time.

To study group development Tuckman (1965) introduced a model, which comprises four stages through which a group reaches maturity. These four stages are: forming, through storming, norming and performing. Gersick (1988) noted however that groups she was studying did not follow the stages defined by Tuckman (1965). This led her to search for a new model for group development, which she named punctuated equilibrium. According to Gersick (1988) behavior of individual team members influence the dynamics of the entire group. Related to group development she therefore specifically studied following topics: interdependency, openness, intimacy and power relations.

Gersick (1988) performed research to groups who had to create a new product and this situation is in my view similar to the situation described in this narrative.

She found that a team progresses through longer periods of stability and inertia, punctuated by short intensive crisis periods during which transitions take place. In her view groups use temporal milestones to pace their work and the event of reaching those milestones pushes groups into transitions. She also found two periods when groups are much more open to fundamental influence. The first is the initial meeting and the transition or calendar midpoint is the second possibility to influence a project team.

The first meeting of the entire project team took place three months after our first visit to the customer. Gersick (1988) states that during this first meeting the interaction sets lasting precedents and holds special potential to influence a team's basic approach towards the project. During the process of acquiring the order, our system architect and an optical designer looked already at various technical concepts and the make-ability of these. When we received the official order, these concepts were worked out more in detail. This means that right from the start our project team established what Gersick (1988) named a framework. This framework was established implicitly by what was said and done repeatedly in our project team.

The transition or calendar midpoint occurred after our last conference call (page 84) with our customer, when our VP Technology made critical remarks to our project team. Although it seemed that his remarks were ignored, about two months later it became clear to me that from technical point of view the project team had done an excellent job, given the limited period of time. In terms of Gersick (1988) this indicates that the behavioral patterns that appeared at the initial project team meeting (page 77) seemed to have changed after the moment our VP Technology made his critical remarks.

Compared however to the period during which we acquired the order, I experienced that during the feasibility phase I had to push people in my organization to get the necessary information in order to be able to continue to develop the business relation with our customer. In this phase of the project I acted as account manager for our customer, which meant that I had to monitor the agreed deadlines and had to inform the management of our customer about the progress.

Conduit and Mavando (2001) state that in an organization every employee is both a supplier and customer to other employees of the organization. Climate for service literature describes an organizational factor, which is known to affect employees' attitudes and behavior towards both internal as well as external customers. Climate for service is defined as employees' perceptions of practices, procedures and behaviors that get rewarded, supported and expected with regard to customer service and customer quality (Schneider, White and Paul, 1998).

Mechinda and Patterson (2011) found that in a high contact setting that conscientiousness is an important factor influencing technical behavior. Conscientious employees are more likely to perform work tasks, to remain committed to work performance and take initiative in solving problems, a situation which was also valid for the members of our project team.

Mechina and Patterson (2011) grouped five dimensions of customer orientation behavior into two groups: technical behavior (capability, attentiveness, anticipation) and interpersonal behaviors (congeniality and courtesy). Technical behavior relates to what is delivered and interpersonal behavior deals with how it is delivered.

They found as strong predictors of interpersonal behavior (congeniality and courtesies), emotional stability (unworried, generally relaxed and less likely to experience negative emotions) and agreeableness (kindness, good-natured, cooperative). Despite the pressure from management, our project manager gave me the impression he was relaxed, an attitude which suggested to me that he had everything under control. Furthermore I noticed that in his communication with the customer he introduced our ideas as suggestions, often formulated in the form of a question.

According to Mechinda and Patterson (2011) anticipating customer needs, being attentive and capable are considered technical aspects of customer orientation behaviors. In their study they found that agreeableness and conscientiousness are strong predictors for the technical behavioral aspects, supporting a customer-oriented attitude. When we presented the results of the feasibility phase to our customer, the project team demonstrated clearly its capabilities. They anticipated on customer needs by introducing some smart new technical options.

Throughout the feasibility phase I noticed however that our customer made several remarks about if and when meeting minutes would be distributed. To me it seemed as if our project manager was not sensitive for these remarks made by the customer. I asked him about this during one of informal meetings and he explained me that he is experiencing a 'blame culture' in our company and this made him reluctant to share formal progress reports and meeting minutes.



### 3.4. Findings and Research implications

This narrative described how a sales department and a product development department worked closely together to present a winning project proposal and how a working relation emerged between our company and our customer during the first project phase after the order was received. The type of project we acquired was new for our organization and resulted from a decision to offer engineering services next to our manufacturing capabilities. This requires a change from a sales orientation to a customer orientation as explored by Saxe and Weitz (1982). Incorporating customer focus into the firm's business strategy, as suggested by Narver and Slater (1990), includes understanding customer needs and using this data to develop innovative products as well as increasing customers' involvement early in the product design process. This narrative can be regarded as a practical example of this definition: during the first meeting with the customer our objective was to get an understanding of the customer's concept and the customer demanded to stay involved from the beginning.

This particular opportunity was not the result of targeted acquisition work from the sales department. We met the customer on an exhibition and from there I described and investigated emergent patterns, which came forward from the many local interactions between the people working in different departments, who were all in relation with customer related activities.

During the acquisition process we listened carefully to the customers' demands with the objective to write a winning proposal and when we made the conceptual design we again listened and also learned from the customer, since the customer was the one who had experience with the used technology. This process was very much a dialogical and collaborative work in progress. It implies shared learning and communication between two equal problem solvers as explained by Prahalad and Ramaswamy (2000).

As demanded by the customer we were able to create a perception of adding value to a customer's problem. The results of the first project phase, which indicate innovative conceptual designs, confirmed that we succeeded in this. This result was achieved while, according to my observations, our project manager seemed to work with his team and the customer in a way whereby spontaneity, improvisation and lively sense making could flourish, a situation which corresponds with Shaw's (2002, page 70) view of organizational change practice as participation in local communicative action in the living present. She suggests that we may understand ourselves as engaged in the co-created, open ended, never complete activity of jointly constructing a future, as emerging courses of action that make sense of keeping on working together.

#### 3.4.1. Studying customer orientation from a complex responsive processes perspective

This narrative is a sense making exploration of some key processes and themes in my current practice. Based on my professional experience I was able to describe two different situations. In project 1, section 1.6 I described an example of a planned change towards customer orientation, while management found an inherent need to present a consistent view of the organization towards customers, meaning that the customer should be able to interact with organization in a consistent manner. In this situation managers designed and installed a system, defined a set of actions, together with the corresponding control measures. In this approach I recognize elements of the strategic choice theory as described by Stacey (2011, page 92-93).

This chapter described the acquisition of a large order and the realization of the first project phase, where the people involved had to solve a challenging problem postulated by the customer. In this situation there was no prescription from management and there was no blueprint or plan.

The literature I reviewed in this chapter looked at parts of an organization e.g. sales (Saxe and Weitz, 1982; Homburg et al. 2011) or at people working in a specific environment (Mechinda and Patterson, 2011). This literature explains a phenomenon and solutions were defined as routines, micro practices, procedures or similar concepts. From this narrative it became clear that customer orientation is a broad claim that concerns all people involved from different departments of an organization. In his work about change management, Homan (2005) combined elements of social science with chaos and complexity theory. Based on his work I came across the studies of Weick and Roberts (1993) and Gersick (1988), who indicate that behavioral dependencies are important, as this shapes the behavioral pattern of a group. Weick and Roberts (1993) made a link to the work of Mead ([1934], 1962). However in their paper they focus on the importance of group processes, whereas Mead ([1934], 1962) explained that meaning or knowledge emerges in iterated social processes of gesture and response.

Stacey (2011) who used the work of Mead ([1934], 1962) to define his view on organizations, explains that an organization is traditionally seen as something that exists outside of the individuals comprising it and that the people comprising an organization are independent, autonomous individuals. He thus developed a different view on organizations. According to Stacey (2011) that what happens in an organization is the consequence of the interplay between the many choices and actions of all involved. This suggests that managers cannot design and control organizational processes to make an organization more customer oriented.

Stacey (2011) defines an organization as processes of communication and joint action, a pattern of relating in which one can only participate. The consequence of looking at an organization this way is that these are to be understood as iterated patterns of human interaction, whereby people are thought of as interdependent persons producing patterns of relationships. Stacey (2011) named this local human interaction, complex responsive processes of conversation. Note that the word 'processes' here refers to processes of human interaction and not to administrative systems or procedures.

An important point about the complex responsive processes perspective is that it is a way of thinking of what we already do. The perspective focuses attention on the actual micro level, that is the local interaction between people in the living present in which they construct wholes felt as the unity of experience (Stacey, 2011).

Studying customer orientation from a complex responsive processes perspective customer orientation, means that customer orientation ceases to be understood as the realization of an intended or desired state for an entire organization as postulated by management. This study is about *how customer orientation is becoming in ordinary daily life?* The 'how' represents the interacting between the persons involved in their ongoing responding to each other.

#### 3.4.2. The relationship between planning and intentions

During the process of acquiring the order for the project as described in section 3.2, nobody spoke about customer orientation. Nevertheless the customer was central in defining the proposal and solution and all persons involved contributed to their best efforts allowing us to acquire this project. The narrative described in this chapter made clear that, no matter whose particular version is taken, the order for this project and the results of the first project phase, emerged from local interactions between the persons involved in this project. In chapter 2 (section 2.4) I explained that emergence is one of the key concepts in the complexity science. Emergence in this context means not 'just happening anyway'. The patterns that emerged did so because of what every participant was doing and not doing. Throughout this narrative the relation between planning and intentions as expressed by all actors evolved as situations shifted, such as for example our system architect who worked on a conceptual solution well before it was decided to acquire the project, or my determination to start writing the proposal after a CEO gestures disappointment. Another observation is that plans emerged, but often in a different pattern of power relating from those doing customer oriented work. For example for the realization of the first project phase a project plan was made, which functioned as a road map, but to turn this project phase into a success we were relying on input and participation of the customer and this could not be planned beforehand.

In general when realizing our plans, people are always in relationship with others. Stacey (2011) states that humans are fundamentally and inescapably interdependent.

Individuals can plan their own actions, however they cannot plan the actions of others and thus not the interplay of plan and actions. This confirms a viewpoint of Elias ([1939], 2000) who states that all human interrelating is to be understood as ongoing, iterated processes of cooperative and competitive relating between people. He explains that long-term consequences cannot be foreseen because the interplay of actions, plans and purposes of the persons involved, constantly give rise to something that has not been planned by any of the persons involved.

### 3.4.3. Customer orientation: unlocking new venues for exploration

In chapter 1 and this chapter relevant topics comprising customer orientation were identified. In chapter 1 (section 1.3), organizational structure with the corresponding processes and the behavior and motivation of employees were identified as antecedents for customer orientation. In this chapter we have seen that relationship building and creating value for the customer were also identified as important antecedents for customer orientation.

To give direction to the themes addressed in this chapter, the identified topics are compared with the complex responsive processes perspective. The results of this comparison are displayed in table 3.1 and provide a meaningful dimension to the motivation for studying customer orientation from a complex responsive processes perspective.

The two left columns of table 3.1 describe the mentioned relevant antecedents from the established literature and a summary of the findings. The column with the title 'Complex Responsive Processes' describes the view from this perspective. The most right column describes the relevance for this study from a complex responsive processes perspective, in relation to the findings of the respective established literature.

Relevant 'established' literature	Summary of findings	Complex Responsive Processes Perspective	Relevance for this study
<u>Blankson, Motwani, Levenburg (2006)</u> : Stated that if a business is to achieve profitability, the entire organization must be oriented toward satisfying customers' needs.	Found that motivated and committed staff is regarded as an important factor to achieve business success (profitability).	The complex responsive processes approach points to interdependence of employees of an organization (Stacey, 2011, p.301).	This study will not take the perspective of one person. Instead patterns of interaction between interdependent people who produce further patterns of interaction are studied (Stacey, 2011, p.324, table 12.3).
<u>Liao and Subramany (2008)</u> : Employees are required who embrace the importance of understanding and addressing customer needs and to align their everyday effort with the ultimate goal to satisfy and retain customers.	Found a direct relationship between customer proximity (contact) and employee customer orientation and demonstration of customer orientation by managers (senior leaders).	The complex responsive processes approach looks at the local social activity of communication, power relating and evaluative choice (Stacey, 2011).	From the complex responsive processes perspective keeping a customer satisfied has to do with the interplay of intentions, power relations and identities which are related to the department where people belong to.
<u>Shah et al. (2006)</u> : Conceptual paper where an organization is looked at as a 'thing', which can be moved around.	Concluded that customer orientation can be improved by shaping up the structure, culture, processes and metrics.	This perspective focuses on human behavior and interaction, which implies that the only agents in a process are people and they are not thought of as constituting a system (Groot, 2007). (Parts of) an organization are regarded as a social object: an ongoing patterning of the	Patterns of relating are investigated, regardless of hierarchical levels or how the organizational structure is defined.

		relationships.	
<p><u>Kennedy, Coolsby, Arnoul (2003):</u> Performed case study research during implementing customer orientation in an organization</p>	<p>Concluded that work processes should be designed throughout the entire organization in a way these add value to the customer. Also found that commitment from management is an important antecedent for customer orientation.</p>	<p>In the complex responsive processes perspective, studies are arranged as narrative and propositional themes that organize experience (Stacey 2011, p.319). Processes are regarded as responsive acts of mutual recognition (Stacey, 2011, p.321).</p>	<p>From the narrative described in this chapter the question comes forth if a (technical) project should only be understood as the implementation of merely a plan with corresponding work processes and resources.</p>
<p><u>Saxe and Weitz (1982):</u> Studied the degree of customer orientation of sales people.</p>	<p>Found that building long term relationships is an important factor. Customer orientation is about “interacting with” and encouraging customers to talk about their problems.</p>	<p>The complex responsive processes perspective studies local communicative interactions and looks at what emerges from these interactions (Stacey, 2011).</p>	<p>From the study of Saxe and Weitz (1982) the interaction with the customer is studied in a broader perspective. The objective is to provide insight to what happens when building a (business) relation.</p>
<p>Tuominen, Rajala, Möller (2004): Focused in their study on relationship learning to describe interactions between two organizations.</p>	<p>Found that within the customer relationship management, customer intimacy is an important aspect through which superior customer value can be created. Managing business relations is regarded as an important factor to achieve customer value.</p>	<p>The complex responsive processes perspective does not determine beforehand to look at a variable, i.e. value creation. The approach amounts to a rejection of positivism as a method of researching human action (see Stacey, 2012, p.131).</p>	<p>Whether our customer experienced value will emerge from analyzing (reflecting on) the patterns of interaction as described in the narratives</p>

Gummesson, Kuusela, Närvänen (2014): Proposed that the recasting of supplier and customer role reconfigures the role of marketing.	Role recasting is defined as adoption of new sets of responsibilities, behaviors, obligations and norms, thus creating value for both supplier and customer.	Gummesson et al. (2014) argue that co-creation embraces the interactive relation between a supplier (e.g. our organization) and a customer.	Goods and services are replaced by value propositions in which participants (e.g. supplier and customer) assume an active role as co-creators.
------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------

**Table 3.1:** Comparison of established customer orientation literature and the complex responsive processes approach.

A conclusion following from table 3.1 is that some of the established literature has a tendency to look at an organization as “it” implying a separate existence of the individuals comprising it (Stacey, 2011). Examples of literature from table 3.1 where this is clearly visible are Shah et al. (2006) and Kennedy, Coolsby, Arnoul (2003). Mastenbroek (2004, page 82) states however that organizations are in fact bundles of human relations. In his view strategy and organizational structure have to be viewed in their effect on those human relations. The complex responsive processes approach provides a way of thinking about organizations by stressing human interdependence and so focus attention on the detail of local interaction. In chapter 2 I referred to Mowles (2011) who states that change and organizational development in this perspective are not conceptualized as a result of management plans or organizational blueprints. This implies that this study will not measure antecedents of customer orientation in relation to the impact on company performance.

#### 3.4.4. Related themes and next steps

This chapter is a first step to discover the ‘inner’ dynamics of customer orientation. From the narrative in this chapter a few observations emerged, which require further investigation. During the course of the feasibility phase (section 3.2) I observed that the members of the project team shifted the attention to their own technical solutions. Nevertheless the result of this project phase was satisfying for our customer. A question that requires further exploration is *what happened in all interaction, which caused this change, and what is the consequence of focusing on our own technical solution?*

Furthermore our project manager explained me his hesitation of sharing formal progress reports with others in our organization, because he experienced what he calls a

‘blameculture’ in our company (page 88). As I am at this stage relatively new in this company I wonder *how this blameculture becomes manifest?*

Other topics emerged in this narrative, which I consider relevant to mention. The remaining of this section serves as an introduction to these themes. Depending on the relevance for the succeeding narratives, these themes will be explored more in depth in the upcoming chapters.

Acquiring a project as described in section 3.1 of this chapter is part of the company’s new strategy and is an example of service differentiation in a manufacturing company. The strategic decision to offer engineering services next to our manufacturing capabilities, was based on the available engineering resources and customer requirements, after examining its characteristics.

Resource based theory provides explanation about the direction of a firm’s diversification strategy. Wernerfelt (1984) analyzed firms from the resource side, rather than from the product side. Based on the premise that organizations are heterogeneous, Wernerfelt (1984) characterizes sustainable differences (resources), suggesting that optimal competitive strategies are based on leveraging excess capacity of these resources, and he describes how current resources can be stretched to achieve growth. According to Wernerfelt (1995), Prahalad and Hamel (1990) presented many of their ideas based on the resource based view of firms. They stated that one firm outperforms another if it has superior ability to develop, use and protect core competences and resources, which are the foundation of creating a future. According to Hamel (1999) it is important to unleash the ideas and passion that will create new business or transform the core.

From the complex responsive processes perspective one has to consider that relationships are emerging and that there is no notion of hierarchical levels or organizational boundaries. The future of an organization is under perpetual construction in the interaction between the people involved and the resulting patterns of interaction may evolve into new patterns from which novelty may emerge (Stacey, 2011).

The heterogenous distributed resources of organizations are not transferable without cost. The project described in this narrative is realized through different actors from different firms, each having their own resources and capabilities. For example to eventually realize our conceptual design, we require specific engineering expertise (e.g. fine mechanical design and electronics design), which is not available in our company. Here becomes the concept of ‘networking’, as described by Ford and Mouzas (2010) relevant, as we had to find suitable partners. They developed a conceptualization for business networks or ‘networking’. Their conceptualization views networking as a characteristic of specific business relationships. The interdependencies, the problems, the continuous processes of action between the actors in such a connected business



relationship show the impossibility of predicting the outcomes of interaction or the direction of such relationships. According to Ford and Mouzas (2010) this leads to the idea that business networking is a process of coping with uncertainty and they suggest further research into business interaction. I consider their ideas as relevant for this study. Our VP Technology has a broad technical knowledge and an extensive network among other companies in our geographical area. The insights from the people of his network, helped our project manager to complete his project team with the required specialisms.

The result of the feasibility study (section 3.3) indicated an innovative concept, which at this moment only exists on paper. The entire project comprises, besides the development and introduction of a new product, also a new method of production for our company, the opening of a new market, both for our customer and us, as well as the dynamics of organizational change. These are all elements of Schumpeter's ([1934], 1982) definition of innovation.

Hekkert and Ossebaard (2010) investigated why the breakthrough of innovations is difficult. One of their findings is that innovation processes are not a sequential sequence of events, which makes an innovation process difficult to plan. They also found that complicated innovation processes are difficult to conceive in a model. Tuominen, Rajala and Möller (2004) and Treacy, Wiersema (1995) claim that if a company wants to succeed in tailoring its offerings to match the needs of customers exactly, it has to integrate market and customer knowledge with their own operational flexibility in a superior way.

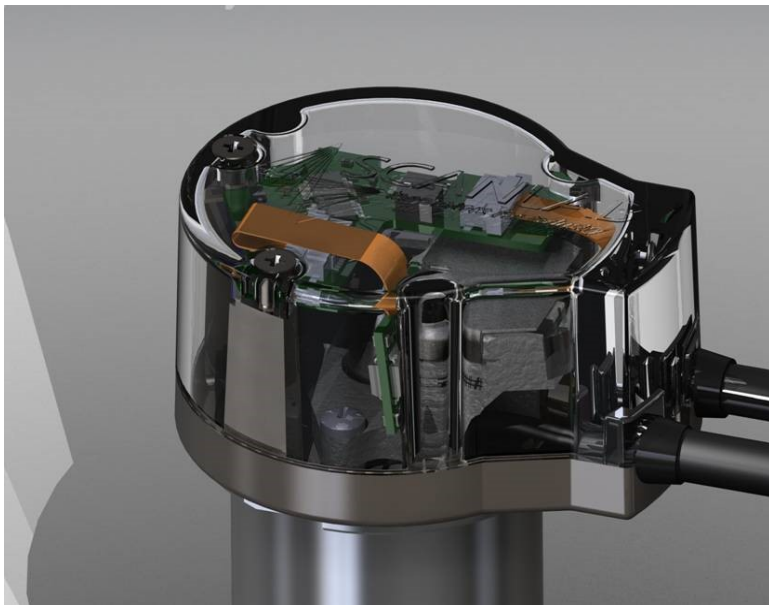
How this will be realized by our project team and the respective organizations they cooperate with, will become manifest during realization of the conceptual design and that will be described in the next chapter. In chapter 2 (page 50) I referred to Pieterse (2014) who used discourse analysis to investigate the interaction process of service engineers with managers and consultants who were participating in organizational change. He combined case study research with a qualitative inquiry. He found that a balance of power and egalitarianism is required for a successful technical innovation. From the complex responsive processes perspective, emergence of novelty lies in the properties of the processes of interaction between the persons involved and it is the quality of these interactions, which I will focus on in the next chapter.



# Chapter 4

## Customer Orientation - From Commercial Perspective a Beauty, but Socially a Beast<sup>2</sup>

### Project 3



---

<sup>2</sup>A summary of this chapter was published:  
Steevensz, J. (2016). *Customer Orientation: A social rich multifaceted complex phenomenon*.  
International Journal for Business and Globalisation, 17(4), pp. 572-581.

## 4.1. Introduction

Saarijärvi, Neilimo, Närvänen (2014) state that existing literature on customer orientation is largely based on quantitative studies linking customer orientation to company performance. They notice however a shift from measuring the antecedents of customer orientation and impact on company performance, towards a better understanding how customer orientation is created in organizations. The purpose of this chapter is to gain deeper insight into the practical judgments we are making together in ongoing organizational life when realizing a complex innovative technical project for a customer and so enrich the understanding of what customer orientation means for the people working in this particular organization.

Saarijärvi, Neilimo and Närvänen (2014) also state that the core characteristics of customer orientation entail excellence in customer interactions and are emphasizing cooperation. I aim to make clear that customer orientation has more to do with the interplay of intentions and identities of the people, which are related to the group (department) they belong to, power relations and the role of management, than with implementation of a deliberate chosen plan issued by management. From this chapter we will see that an important issue seems to be the quality of the communicative interaction between the persons involved in the project.

It will also become clear that maintaining agreements with customers is not solely the domain for a commercial department and that a product development project for a customer as described in this chapter should not be understood merely in terms of a plan with the proper resources.

### 4.1.1. Conversation as the basis of human interaction

To explore *why is it so difficult to develop and uphold a customer-oriented practice in technical oriented organizations and to explore what is needed to consider the customer more important in the work we do*, specific attention will be given to conversation as the basic activity of local interaction, while according to Stacey (2011) processes of human interaction are fundamentally conversational in nature. He also states that conversational interactions are mostly ignored when talking about organizations. Conversation is such a normal part of everyday life that people seldom stop, to think about what a complex and creative process it is (Donaldson, 2013).

For this study the concept of Mead ([1934], 1962) will be used to investigate communication, as opposed to the widely known Shannon-Weaver model of communication, where language is used to transport meaning. Mead's concept is one of the key elements of the complex responsive processes approach and starts off with an

observable activity, which is the dynamic ongoing social process, where social acts are studied and analyzed. These social acts are the component elements of the social process, as explained in paragraph 3.2.6. In this paragraph we have seen that Mead ([1934], 1962) considers language as a means to control the organization of the social act. In his view language is not a way to transport meaning but an attempt to give meaning to responses of others on your words in a particular situation. According to Mead ([1934], 1962) language in this view is part of social behavior. Mead as explained by Stacey (2011, page 358) defined the social object as the proper object to study in social sciences. The term 'object' is used here in a social sense, as a 'tendency to act' rather than a concept or a thing. A social object exists only in human experience and has to be understood in terms of social acts. Stacey (2011) suggests to regard an organization as a social object, which means an ongoing patterning of the relationships between the members of the organization and members of other organizations (e.g. our customer, our suppliers), in which common tendencies are developed.

## **4.2. Challenges to uphold a customer oriented practice**

This following narrative describes the realization of the project, which was acquired in chapter 3 and investigates customer orientation in relation to one of the various strategic orientations of manufacturing companies, as explained by Gebauer et al. (2011). In this narrative, different departments, e.g. sales, product development and supply chain management as well as suppliers, have to work closely together to fulfill the requirements of a customer.

Key person in this project phase is our project manager, as he and his project team have to realize the technical challenges, which were agreed upon in the overall project proposal. I am not part of the project team, but commercially responsible for this project and the customer. My role in this project phase can be regarded as the liaison officer between my own organization and the customer. As a reader you may get the impression that I act more from a distance, however it was the way I operationalized my role, given the circumstances I was in.

For the development of a new product our company uses a structured process, which comprises different phases (see figure 4.1). The project as described in this chapter has advanced to the engineering phase, an important phase where the first proof-of-concepts (engineering samples) will be built (or to put in other words: where theory meets praxis).

Our project manager made a project plan that emphasized the allocated roles and tasks of the individual project team members, as well as the linkages to external resources (e.g. suppliers). This approach of our project manager follows the Resource Based View,

as explained in chapter 3, paragraph 3.4.4.

Johannessen and Stacey (2005) argue that the Resource Based View pays little attention to how such technological development acquires meaning and so impacts on the manner in which people interact and experience themselves in organizations. Mead's notion of social objects, as described in paragraph 4.1.1, provides a way of understanding technology as a social object, instead of focusing on technology as merely a physical object. The physical object, being the end product for our customer, has a meaning for us while it is the topic of many of the interactions, described hereafter. In conversations about the physical object it becomes part of the generalization process between the persons involved in this project. Thinking about technology this way focuses attention not only on the physical object but also on the complex responsive processes of relating in which the generalized social object called technology is particularized.

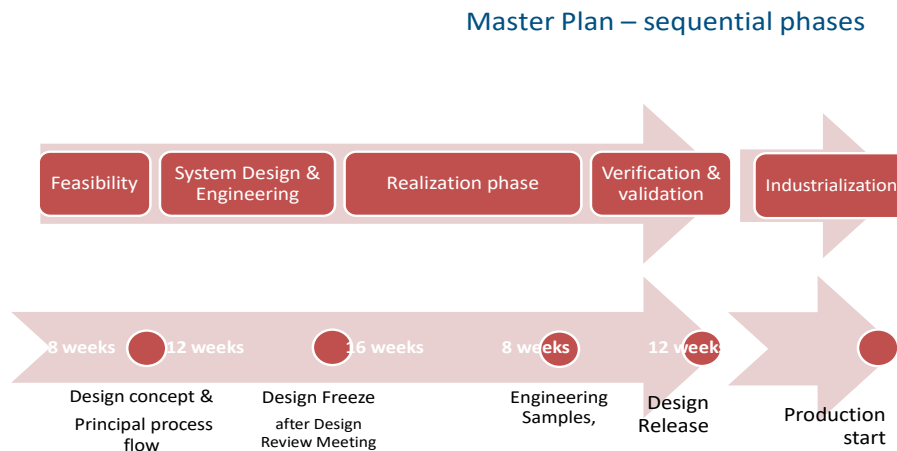


Figure 4.1: Product Creation Process: the different project phases.

#### 4.2.1. Summary after the start of the development project

After the promising results of the feasibility phase, as described in chapter 3, the design phase of the development project started (see figure 4.1). During the design phase one of the selected concepts presented at the end of the feasibility phase was worked out in detail (on paper). Prior to the start of this phase I sent a proposal with an estimate of the total cost of the design phase. This proposal was based on the information of and discussion with our project manager, who calculated the amount of man- and machine hours required for this phase.

The execution of this phase went smoothly except for a discussion about extra cost, which the customer refused to pay, because he argued that it was not part of the agreement. In our organization we discussed this issue briefly and we concluded that the customer was right and we moved on with the project. Looking back it was a first signal from the customer to stick to what was agreed upon in the project proposal we made during acquisition of the order (chapter 3).

Four months after starting the design phase, the theoretical design is ready and our project manager, our VP Technology and myself traveled again to the customer to present and discuss the results of this project phase.

The meeting has a high technical content as the customer wanted to discuss every detail of the theoretical design. As I was not involved in all technical aspects, I could not understand this discussion in all details, however our project manager could very well explain and motivate the choices that were made. Towards the end of the meeting the customer is convinced that our conceptual design should work and we agree to make a proposal for the next project phase: the engineering samples. The customer tells us that he regards this phase as critical, but requests at the same time a very tight time schedule. Within three months the first engineering samples should be ready and we should prepare to be ready for production by the end of the calendar year.

In order not to lose time we agreed that the project team would continue with the development work, instead of waiting for approval of the proposal. All the hours and material spent were paid by the customer on a monthly basis provided these cost were motivated.

Five days after the meeting I sent a first proposal for the engineering phase to the customer. Due to (public) holidays and other obligations from the customer I receive comments only after ten days. We had the impression that our proposal is judged more critically, because our customer regards the upcoming phase as critical. In the weeks after, I have intensive interaction with the customer about the proposal. Finally, six weeks after the design review meeting I am able to send our final proposal. I do not have a good feeling about this proposal as the development cost exceed the total budget of our customer and the price for the end product is much higher than the initial target price as

defined by the customer. During an internal discussion about this proposal I pointed this out several times, but was summoned by my superior manager to quote the higher prices.

One week after I submitted the proposal, I receive a telephone call from the customer's chief operating officer (COO), during which he expressed his worries about the mentioned development cost, the bill of material and the price we intended to ask for the assembly once we produce it in our factory.

After the call I contact my superior manager immediately. We both agree that a face-to-face meeting with the customer is the best option, but my superior manager suggests I should not attend such a meeting alone. Since it is expected that the participants from customer side are board level, he suggests someone from our management teams joins as well. Because of the summer holiday period it is not possible for a member of our management team to attend the meeting with the customer. Also our project manager is on holiday. My manager decides that our business development manager joins me, as he has the most knowledge about this project and is most senior in rank. A few hours after the phone call from the customer's COO I confirmed a meeting with the customer for later that month.

#### 4.2.2. What happened to customer orientation?

Upon our arrival we are welcomed by the customer's project manager and when entering the meeting room there are the CEO, COO, technical director and the business development manager already waiting. The situation feels to me as if I have to appear for a tribunal. The meeting starts immediately and there is no usual small talk. Right after the start of the meeting the customer dictates the agenda. Reference of the discussion is our latest project proposal, which I submitted a few weeks earlier. The customer's CEO explained that (1) the total development cost have risen to a level which is not acceptable, (2) that the material cost (bill-of-material or BOM) have increased to a level three times as high as the initial target as was defined at the start of the project and (3) the proposed unit price of the final product is far too high. Literally the CEO asked if we went out of our minds. In his view a target price was clearly given during the very first meeting (see section 3.2).

From the customer side the meeting was well prepared. The CEO was leading the conversation and the COO motivated the arguments of his CEO with figures and previous statements done by us. There was hardly any room for discussion. Towards the end of the meeting the COO gave us two very clear guidelines for the remaining of the project: (1) the total development cost should not exceed € 1.530.000, which is € 200.000 more than agreed in the original proposal and (2) the price for the series production of the product should be no more than € 200, based on a total quantity of 5000 products. Furthermore the customer demanded insight into our bill of material as well as a process diagram of the planned production process, together with calculated (estimated) production times.



The customer requested this information one week after the meeting and within five weeks we have to confirm if we can fulfill the mentioned financial demands.

The meeting ends with an advise of the CEO to do everything possible to get the project back on track as demanded and explained during this meeting, while the COO makes clear that if we are not able to improve, the project will be terminated. Before leaving, the technical director informs me that there are alternative solutions available for them.

On our way home, the business development manager started to make insinuating comments. I am amazed and wonder why he says these things. At the same time I realize that I experience now what our project manager calls 'blame culture' (paragraph 3.3.3). My only reply to his remarks is that the price targets were known from the beginning of the project.

After a few hours driving home in silence we decide to call our superior manager, who is on holiday, and also inform our project manager, who is about to return from his holiday. Our manager just listens to our story, without judgments and that give me a comfortable feeling. Until the design review meeting (see figure 4.1) the project seemed to progress well. In this phase of the project, focus was mainly on solving technical issues. After the customer requested an update of the project cost and the product price it became clear that our project team focused on a technical superior solution and that price targets given at the start of the project disappeared to the background. For our customer however the combination of technology and price is important. In the previous chapter I observed already that the members of the project team shifted their attention to their own technical solutions, as if they stopped listening to the customer. The question arises *what happened in all interaction, which caused this shift?* Were the requirements not communicated clearly enough by the customer? I was aware of the initial price targets as defined by the customer. Was it technically not feasible to realize this requirement? To answer these questions we have to look to an important implication for communication in organizations. No matter how clearly worded the communication is, it will be interpreted in many different ways and therefore mean different things for different people in a way that the customer cannot control. According to Mead as explained by Stacey (2011, page 334) meaning emerges in the words and responses they evoke in others. Knowing becomes then an aspect of interaction or relationship. The possibility for miscommunication can only be dealt with in ongoing conversation as we together try to clarify what we mean. This is what Stacey (2011, page 334) calls an ongoing conversational negotiation of meaning.

Until the moment the customer summoned us for a meeting, we were convinced that we were on the right track with the project. Based on the information I received and understood I had no reason to doubt this. However no one from our organization, including myself verified this with the customer. Although we kept on looking for

solutions, no form of reflection took place. To explain this lack of evaluation and reflection I refer to Alvesson and Spicer (2012). In their paper they describe what I recognize in this narrative. They found that reflection could be discouraged through the use of (management) power. In their view communicative action can be blocked when there is systematically distorted communication that prevents the emergence of dialogues that allow validity claims to be questioned. Blocking communicative action, caused by for example a directive style of management, may result that employees are cutting short internal conversations. An example of the latter is given in chapter 3 where our project manager explains me that he is reluctant to put things in writing for management.

Another reason for not verifying solutions with the customer is what Alvesson and Spicer (2012) named lack of substantive reasoning. They explain that lack of substantive reasoning happens when cognitive resources are concentrated around a small set of concerns that are defined by a specific organizational, professional or work logic. This leads to a shortsighted application of instrumental rationality focused on the efficient achievement of a given end (a technical superior solution) and ignorance of the broader substantive questions (the price demands of the customer). By not asking for justification, individuals are reluctant to engage in a dialogue or ask for the rationales to do something. This often means assuming that an account of the reasons for a decision or action is not required.

About justification Shotter (2005) states that what people accept as justification, is shown by how they think and live. Perhaps members of the project team asked the customer for justification of their work, but did this according to their criteria and standards, which was the technical point of view. Based on the information I received from the members of the project team I had no reason to undertake action and assumed the project was running well.

#### 4.2.3. Anxiety about fulfilling the customer's demands

During the meeting with the customer we were summoned to provide answers within one week after the meeting. I found this a challenging task because due to the summer holiday period not many persons were present, who could help me to provide answers. In addition the only manager who was present is our financial director (CFO). Since persons from different departments needed to be mobilized and possibly priorities need to be adjusted, I decided to involve him. After my explanation he understands the situation and confirms the importance of this project for our company and he schedules two meetings. The first meeting is with our purchasing and the project manager. The objective is to obtain a detailed understanding of the material cost of the design. During the first meeting our project manager tries to ease down the whole situation and I wonder if he understands the seriousness of the message we received during the meeting with our customer. Our purchasing manager explains that the material cost can only be reduced by

a redesign of the current concept. Our CFO observes and asks questions and he manages the two to agree upon a focus on material items for cost reduction, without a redesign of the current concept.

The following day the second meeting is held, which is a review of the cost calculation. During this meeting all aspects of the production cost are reviewed. Conclusion of this meeting is that we are able to achieve the target price defined by our customer, if we adapt our calculation model. Our CFO tells us that he understands this, but states that the entire management team has to give final approval. Because of the holiday season no formal decision could be taken.

After these two meetings I wonder if I have now enough information to provide our customer with the answers as demanded during our last meeting. I make a summary of my findings and discuss this with our project manager. With his help I am able to send our customer one week after the meeting the requested information regarding the material cost. However the requested process diagram of the production process is not ready yet. After informing our customer, we receive a reply that a few days delay is not a problem. Three days later the information regarding the planned production process is also ready.

Meanwhile the deadline for delivery of the first engineering samples is reaching also. Two weeks after the first meetings scheduled by our CFO, he schedules another meeting to discuss the status of the project. He does however not show up at that meeting. None of the invitees seems to know where he is and no one received a message from our CFO. I find this strange and I presume his attention is somewhere else. The meeting proceeds anyway and our project manager explains the status and I am relieved to hear that all material to assemble the first engineering samples will be at our plant in time. In addition two persons from the customer will arrive to assist with the assembling of the very first samples. During the assembly of these first samples many unforeseen set backs were encountered and after three long working days the project team managed to give one working product to the customer. Cooperation with the two persons from the customer went smoothly, as if they were fully integrated in our project team.

One week later a second product was sent to the customer. The entire project team worked almost day and night to achieve this. After delivering the second sample an internal evaluation is organized. Purpose is to check if the price target as defined by the customer can be met. We discuss the bill of material and assembly process and it occurs to me that our project manager is reserved in the way he communicates with management. I have to think about what he told me about the 'blame' culture in our company (paragraph 3.3.3). And when I listen to my superior manager I hear remarks where he suggests that our project manager is avoiding responsibilities. This remark was made after our project manager made a request for extra support (resources) from the purchasing department. I feel a tense atmosphere during this meeting because I have the impression that my superior manager may get angry any moment.

To explain what happened here I first refer to Stacey (2011) and Mastenbroek (2004) who explain that communication between persons is closely related to (changing) power- and dependency relations. Let me clarify this by explaining how I experienced the communication with my superior manager. I found meetings with my superior manager always difficult, because I never knew how he would behave or react. Often his reaction was full with emotion and sometimes even abusive and I was not used to this kind of behavior from a manager. This caused a feeling of tension and uncertainty when I had to discuss something with him. Our project manager was aware of my struggle with my manager and I admired him for how he addressed my superior manager: always with a positive attitude. He could afford to take this attitude, as he was not directly reporting to my manager. I did not dare to take such an attitude, because of my uncertainty.

A study of Dasborough (2006) indicates that managers can deliberately arouse emotional states in their employees, which assist achieving organizational goals. She concludes that effective managers empower their employees, enabling them to use their skills and abilities to their full potential. We have seen this during the acquisition phase of the project, where two managers participated and influenced the process and as such they helped to raise the skills and awareness of all employees involved. However already during the first project phase (chapter 3, section 3.3), I experienced a change towards a directive style of management.

Dasborough (2006) argued further that leaders are sources of employee positive and negative emotions at work. She investigated what leader behaviors evoke emotional responses in employees and found that poor communication caused most negative emotions, followed by lack of awareness and respect. She found that although negative incidents were not a daily occurrence, the experience of negative incidents aroused intense emotions such as anger and frustration.

Looking from the complex responsive processes perspective, processes of human interaction are fundamentally conversational in nature. According to Stacey (2011) anxiety blocks fluid, spontaneous conversations. People then use defense mechanism to avoid feeling anxious. However the emergence of novelty depends on the conversational practices that have evolved in an organization, on the nature of the power relations and on the way in which anxiety is dealt with. In this respect Stacey (2011) argues that a healthy organization is one in which members continually respond to each other and to members of other organizations. Whether such conversational dynamics take the form of stuck, repetitive patterns or of more fluid, spontaneous ones depends upon the nature of power relations between the persons involved. The dynamics of more fluid, spontaneous conversation rely on enough trust and ability to live with anxiety and on power relations that are both co-operative and competitive at the same time.

Using a concept developed by Alvesson and Spicer (2012) helped me to explain the effects of the change to a directive style of management and the phenomenon, which our project manager calls 'blame' culture', and which he and I both experienced during this project. Alvesson and Spicer (2012) refer to the importance of emotions as key elements in how we relate to others. These emotions often inform cognitive processes, whereby societal, organizational and occupational context are central elements. Here the mechanisms of power are important. To understand this, it is important to know that Alvesson and Spicer (2012) found a key element, which they named stupidity management. This involves a strong emphasis on positive understanding of organizational practices and is realized through uplifting messages such as organizational visions, missions, values and strategies. In their view stupidity management is typically underpinned by blocking communicative action. However given the power relation of my superior manager he was in a position to create opportunities for conversation that may have resulted in greater spontaneity as explained by Stacey (2011) earlier in this paragraph.

The study of Dasborough (2006), the concept developed by Alvesson and Spicer (2012) and the complex responsive processes perspective helped me to gain insight into what happened to customer orientation in this phase of the project. After the troublesome meeting with the customer we became aware that our focus was too much on solving technical issues, forgetting the initial price demands. In my view this does not mean that the individual employees were not committed or not customer oriented. The events emerged because of the quality with which we communicated with each other and the customer, the way our management acted and the power relations.

Interesting detail is that our business development manager, who went with me to our customer, did not interfere with the project at all.

#### 4.2.4. Delivering the first samples of the product

Until this moment in time the project continued although we did not receive a formal order, despite our various proposals. This situation differs from the previous project phases, where I made a quotation for each project phase and we received an order accordingly. Instead each month we sent an invoice and an overview of hours and material spent and we received payment based on this. Both the customer and we accepted this situation, without a formal agreement.

In the meantime the deadline to confirm the product price as was demanded by our customer passed away in silence. As I am aware of the due date from the customer I advise my superior manager to make a status report for the customer. Upon my request our project manager made a detailed concept, which we discussed in a meeting and where my superior manager demands the report to be stripped to a presentation of seven slides, describing just the main findings. No reference to the meeting with the customer,

no details of the remaining project planning, no detailed calculations. He suggests that the customer should make these links by himself. I wonder why he decides this? I am afraid we irritate our customer again by taking this attitude. Earlier my manager took a firm attitude by delaying information about the series price of the products. The customer's CEO was irritated by this and kept asking for a price several times.

I find myself balancing between keeping a customer satisfied and maintaining loyalty for my own organization, which is partly expressed in the relation with my superior manager. I have the feeling that my superior manager is not sensitive to remarks from others. To me this seems a lack of any form of reflection.

At the same time I am amazed about the apparent easy attitude of our customer. We have invoiced them for more than one million euro and yet we were unable to deliver engineering samples according to the required specification.

Six weeks after the meeting with the customer I sent an executive summary, comprising a presentation of seven slides as demanded by my superior manager. In this summary our price indication for a series of 5000 products was set 7% higher as the requested target price. Two weeks later I receive a reaction from our customer, where he reports he is well informed and sees no need for a visit or a conference call. Furthermore the customer asked us to provide the material content of 70 qualification samples. Implicitly this means the project moves to the next phase (figure 4.1). Based on this information I discuss and decide with our project manager to plan a visit to the customer with the objective to formally finalize this project phase.

At this stage of the project it seems we managed in such a way that our customer will continue the project, even though our customer did not express that explicitly. During one of the many informal meetings with my superior manager I ask him if we know whether our customer is satisfied? He replies that we should not separate customer satisfaction with our own objectives of making turnover and profit. He thinks that our objectives are being adapted to our customer. I find this a somewhat strange reaction and not really an answer to my question. Nevertheless, we made an attempt to analyze how satisfied our organization currently is with the achieved results and estimated this for the customer as well. Basis for our analysis were the targets given by the customer after the troublesome meeting during summer holiday. The result of this exercise is shown in table 4.1.

	How satisfied are we?	How satisfied is our customer?
Material cost	NOK 9 OK	NOK 5 OK
Development cost	NOK 9 OK	NOK 4 OK
Degree of innovation	NOK 8 OK	NOK 8 OK

Scale used: 1-10, whereby: 1=not ok (NOK) and 10=OK

**Table 4.1:** Matrix indicating the degree of customer satisfaction.

The project team managed to reduce the material cost to a level, which apparently was acceptable for our customer. At least the customer did not complain about the price indication we communicated. My superior manager and I estimated, based on the previous interaction with our customer that their level of satisfaction is lower. For the product price we came close to the customer's target, but we were unable to reach it. As for the total cost of development our project manager takes it as a given fact and leaves it up to the commercial people (me) to inform the customer about this. As we received a clear target from our customer for the total cost of development we estimated the customer's degree of satisfaction low for this item. After our analysis my superior manager and me decided to postpone informing the customer. We applied here the golden rule of my superior manager: 'timing is everything'. The third item about the degree of innovation we both estimated that our customer was satisfied. We based this estimation on the reaction from the customer about the first delivered samples (some months later we will see that this estimation was correct).

An important reason to determine the degree of satisfaction of the customer is that two important pillars for growth and profit for a company are to acquire and maintain customers. From the previous paragraphs we have seen that maintaining agreements with a customer seems an issue in my working environment. We have also seen that maintaining agreements with customers is not solely the domain for a sales- and marketing department, but that people from different parts of an organization are involved. For me as the main point of contact with the customer it is an ongoing challenge to find out in each situation how to balance between the different interests of the customer, our project team and my management.

#### 4.2.5. Involvement of management to keep the project on track

My superior manager, our VP technology, our project manager and me have regular meetings to discuss the progress of the project. About twelve weeks after the troublesome meeting with our customer, I have the impression that the project is stuck. Looking at the technical status of the project there are still a number of issues that require a solution. Some technical specification items are not met and because of this a redesign is required, which is estimated to cause a delay of 8-12 weeks. Also more time is needed to learn all the details of the assembly process, while it is a complicated (and also new) product for us to produce. Regarding the cost aspect, focus is on electronics, where a redesign will be done and on one supplier who is supposed to deliver an important mechanical component. This supplier is delivering constantly too late. Until now we did not succeed yet to find a suitable second source to solve this problem.

Resulting from all this, our project manager presented an updated project plan and for the first time we become aware of a delay of three months of the project. Our VP Technology seems more or less to accept this delay, but asks if the customer is informed about this delay and how they reacted. Our project manager confirms that the customer is informed, but he has no official written reaction.

Because of the problems with suppliers and the delay, our project manager suggests again that extra purchasing capacity would help to move faster with the project. This extra purchasing capacity is not available, mainly because of another large project our company is acquiring. We discuss to hire a so-called project purchaser. It is the third time we discuss this. The first time we discussed this was at the beginning of the project (after the feasibility phase), the second time after the meeting with the customer during summer holiday. Each time the conclusion of our purchasing manager was: not necessary, we can do it ourselves.

Sometime later when I am at the coffee corner with my superior manager, our CEO joins the coffee corner as well and when he learned about the status of this project, he immediately organizes a meeting, where my superior manager, the VP technology, our project manager and the purchasing manager are present. After the meeting my superior manager tells me that our CEO issued a simple statement: he doesn't agree with the delay, while even if the customer accepts the delay, then we should not want that, while a delay means loss in turnover due to a later start of the production phase. He summoned all to solve this problem.

This reaction of our CEO gives a fascinating view on decision-making. He issued a power statement in a situation where he was not directly involved. One can say that in this particular situation he actually had no power, so his statement has therefore no consequence. Indeed, two weeks later nothing seemed to have happened after the meeting our CEO organized. During an informal talk with my superior manager, he is furious and states: 'it looks like complete anarchy in this company'. He expresses his



frustration by stating that it is always he, who has to come with all kind of proposals towards our VP technology and our project manager and that there always seems an attitude: 'sorry, I can't change, things are as is right now'.

In the meantime our project manager and purchasing manager were discussing to find a solution, i.e. to give a meaningful representation to the directive issued by our CEO. A few days later our project manager informs me that he managed to come to an agreement with the purchasing department, regarding the required extra purchasing capacity. I was glad to hear this news but did not ask about details of the agreement.

For an explanation what happened after our CEO issued his directive, I use again Mead's model of communication as explained by Stacey (2011). He explains that meaning lies not alone in the words spoken, but emerges in the words and the responses they evoke in others. Thus the meaning of what our CEO meant as a directive, can only be known in the responses to what he said. From Mead's perspective on communication, it is no use for a manager to imagine that they have sent a clear message and leave it at that. Stacey (2011, page 335) thinks that managers will act differently with regard to communication if they take this perspective on communication.

#### 4.2.6. Customer contact

Four months after the last meeting with the customer I receive two questions from our customer: (1) A request for status update of the project cost and (2) if we are willing to do another project with them. I am surprised by the latter question. Apparently there are mechanisms that give our customer trust in our organization. But what is it that our customer keeps his faith in us? For sure it is not our planning discipline or our cost monitoring. Our new estimate is that the total cost for the development project will be another €160.000 higher on top of the amount for which we received approval during our last meeting with the customer (paragraph 4.2.2).

Our project manager motivates the increase because his team has improved the original conceptual design from our customer and our project team found a solution for a technical problem, for which our customer did not have a solution. According to our project manager the improvement and the extra technical feature are the major factors for the delay and thus increase of the development cost.

One week after we received the two questions from our customer we organized a conference call with the customer. From our side our project manager, VP technology and myself attended and from the customer side their project manager and their technical director (CTO) attended. For the first time since four months we had personal contact with someone from the board of management from our customer. During this conference call a lot of technical issues are discussed. Before ending the conference call end, the technical director (CTO) from our customer stated that he sees no major technical roadblocks.

However according to him, many small things still need to be solved. Both the customer and we decide to plan a visit to close this project phase formally. Date is set a week before Christmas and our customer insisted to come to our plant. Our CEO didn't agree to hold the meeting at our factory, while the only news he could bring was a delay and again the announcement of exceeding the project budget. This disturbed me, especially considering the difficult period we had with our customer. I regarded his attitude as lack of interest and avoiding responsibility.

#### 4.2.7. My resignation

One month before the end of the year I turn in my resignation from this job to pursue a career in education. One of the main reasons to leave is the insecure feeling I experience during meetings and contact moments with my superior manager. Especially the bi-weekly meetings where my sales-funnel was discussed were an unpleasant experience for me.

Shortly after my resignation I am invited for a meeting with my superior manager. He explains me why I should stay. During this meeting I felt for the first time during the short period that I fulfill this job, appreciation for the work I do.

After a few days of thinking I decide to stay. From this moment on the working relation with my superior manager changed. The first signs of this lasting change are described in the next paragraph.

My motivation for my resignations shows parallels with the findings of Dasborough (2006). She based her study on the theory of asymmetry effect of emotion and states that employees are more likely to recall negative incidents then positive ones. In her view managers are an ongoing source of employee hassles and uplifts, which resulted in my decision to resign. Dasborough (2006) found that negative incidents have to do with cases of ineffective or inappropriate communication.

#### 4.2.8. Preparation of a visit to the customer

Meanwhile the agreed date to meet our customer (paragraph 4.2.6) is reaching. Our objective for the meeting with the customer is to come to an agreement on the technical specifications, so we can continue to set up production. Unfortunately we are again late with sending the required information. We promised to send the technical specification and the measurements proving that we meet the specifications. The customer asked us also to share information about the development of the bill of the material and the price of the product after start of production.

Together with my superior manager I prepare the commercial part of the upcoming meeting with the customer. During one of our discussions my superior manager wonders why we face again an extra delay, this time because one of our suppliers cannot deliver. We were told it had to do with capacity problems at our purchasing department. However we understood that one of the outcomes of the meeting organized by our CEO six weeks

earlier (paragraph 4.2.4) was that extra capacity would be organized. It turns out that despite an agreement between our project manager and purchasing manager, extra capacity is still not available. Only now my superior manager and I realize that our VP Technology, our project manager and our purchasing manager agreed that the project team members themselves should do the chasing of the suppliers. The outcome of this decision resulted in even more delay. My superior manager thinks that this solution has to do with the short-term policy of our CFO of not spending money, due to cash flow issues. He argues that hiring extra manpower for purchasing to solve the problem of our project manager of course cost money. But what is more important? Spent now out of pocket money or delay of turn over? He then changes the subject and states that our organization is not challenged enough. When I ask him what he means, he replies that it looks like as if in our organization things are done the same way for many years, as if the people are stuck. There seems to be no challenge to make processes more efficient. In addition he shares his opinion that nobody within our organization, except the sales department, is looking at the business side. According to him in our organization people are working too much on detail level, forgetting the overall picture. This observation of my superior manager links to a lack of substantive reasoning in our organization, as explained in paragraph 4.2.2.

He further thinks that the agreements our purchasing people made with our suppliers are not firm enough. To him it seems as if the people from our purchasing department are too kind to our suppliers. My superior manager based this judgment on the seemingly easy acceptance of the delay of delivery of goods from some of our suppliers. Several times he brought up this subject during management team meetings, but none of his colleagues of the management team seems to do something with his remarks. In return I share my worry with my superior manager that over the past months I got the impression that in this project phase, the technical departments are leading and that the sales department is losing connection. It seems that project management, purchasing and technology are doing their own thing, regardless what my superior manager and I suggest. For me it looks like that I have to sell a project twice: once to a customer and once internally. This feeling I experienced before in my professional career (chapter 1). During this project phase I often had to convince different members of the organization about what the customer wanted. It was as if nothing would function by itself and no one but me felt responsible for this project. I was continuously pushing colleagues for answers and urging them for action and this cost me a lot of time and energy.

While we have this discussion I notice a change of mood from my superior manager. He started by asking questions and while he continues I see him becoming irritated, almost angry. At the same time I find it astonishing to notice the change of attitude from my superior manager towards me, after my decision to withdraw my resignation

(paragraph 4.2.7). Suddenly he shares with me in an open way his organizational worries.

#### 4.2.9. Meeting the customer again

The meeting at the customer took place with persons we know well by now. From our side our VP Technology, project manager and myself and from the customer's side the COO, CTO and their project manager are present. Towards the end of the meeting the CEO of our customer joins the meeting as well. A lot of technical details are discussed and once again the technical director (CTO) from our customer asked several times the question how to keep control over the design (he asked this already during earlier stages of the development project).

When the customer is confronted with the delay, the CEO replies that planning is not a deterministic process. I interpret this remark from the CEO that our customer more or less seem to accept another delay, possibly because our customer also has not yet set a final deadline for this project.

The situation of extra cost for development is a more difficult topic to discuss. During the meeting no decision is taken. Instead we have to motivate clearly the extra amount of money involved and send this motivation within one month to the customer. Our VP Technology criticizes me afterwards for agreeing too fast with this proposal of the customer. My argument was that during the meeting I got the impression the amount was not negotiable, so I decided to win time. I explain again that during the meeting with the customer, now some six months ago (paragraph 4.2.2.) we received a very clear target for the development cost.

Our project manager argues that it is not his fault that the budget is exceeded again and I conclude that it will be me who has to come up with a solution for the problem how to get the extra development cost paid.

Meanwhile our customer wanted to move on and insists on a revised quotation for the product, based on a series of 5000 pieces. Before this new proposal can be made a few (minor) technical issues need to be solved first. The conclusion is that after the difficult meeting six months ago as described in paragraph 4.2.2, we managed to achieve satisfying results for our customer.

#### 4.2.10. The final stage of this project

The beginning of a New Year, sixteen months after start of the project, I made the requested quotation for the series production as well as a proposal for the increased development cost. It was also my task to define the logistical parameters for future deliveries.

During an internal meeting where we discussed these proposals, my superior manager noted that we should have invoiced all extra requests of the customer. Six months earlier, after the troublesome meeting with our customer during the summer holiday

(paragraph 4.2.2), we agreed to send an invoice at the end of each month, based on the work we performed. Our project manager saw therefore no reason to keep 'extra' work separated, while we could invoice all the work each month. My superior manager and our VP Technology do not agree with this. In their view we agreed a statement of work with the customer after finishing the design phase of this project (see figure 4.1 and paragraph 4.2.1). According to our two managers all questions from the customer not related to this statement of work, were to be regarded as extra work. For the first time I heard that our project manager is held responsible for exceeding the development budget.

Prior to this meeting I discussed with our project manager the proposal. He made clear to me that he doesn't like the management style of my superior manager, while it is compelling and not advising. He also tells me that he does not favor that we play around with the amounts we charge to the customer. He reminds me on an earlier quotation where we were forced by my superior manager to increase the amount by 11%, which was not accepted by our customer. The same phenomenon we both notice again.

A month later a conference call is organized with the customer to discuss the proposals. After some negotiation and explaining the customer agrees with a 14% price increase of the product price. Furthermore it was decided to share the risk of the excessive development cost. Shortly after acceptance of the proposals we receive a forecast of fivethousand products for the next twentyfour months and finally production can start, five months later as originally was planned. The order for delivery of fivethousand products we received one month after production start.

Right from the start of the production, we were confronted with delivery problems of an essential mechanical component. Due to the complexity of this product and the lack of capacity in our purchasing department we still did not find a second supplier.

We also faced problems with the production time, which turned out to be much longer than calculated (2 ½ hours versus 48 minutes calculated) and there were yield problems. The product price was calculated assuming we could produce with a failure rate of 5% (a yield of 95%). We faced a higher defect rate, meaning higher cost in production.

The remaining seven months of the year were used to produce a sample series of 150 pieces. During this time we managed to improve our production process. Also minor design changes were implemented. Meanwhile our customer tested the product extensively in a variety of applications. At this stage of the project, communication was almost exclusively between our project manager and his colleague project manager from our customer.

Finally more than two years after the successful start of this project, our customer released the product for production. Shortly before the formal release of the product for production, we received an email from our customer's project manager stating: *"we really enjoyed working with you and we greatly appreciate your constructive way you dealt with*

*all challenges we faced during this project.”*

At this moment in time our profit for this project had decreased with 45%. Although there were possibilities to make some extra money, this was not initiated anymore. Both our project manager and me were not exclusively working for this project anymore. Our project manager was involved in other development projects, while I was busy acquiring other new projects at different customers.

Nevertheless, after more than two years we have a satisfied customer for whom we designed a product, which we are able to reproduce according to an agreed specification and price.

To explain how success emerged I refer to Iterson, Mastenbroek and Soeters (2001) who argued that the work of Elias provides a rich source of theoretical arguments for organizational researchers. They state that his theory of the civilizing process covers a wide range of interdependent social developments. In their view Elias demonstrated that macro societal developments and behavioral changes at micro level are interrelated and can only be fully understood in that respect. Also Stacey (2011) underlines the importance of Elias' work. He explains that Elias pointed to the interdependence of people and that he focused in his work entirely on the processes of interaction between people.

In Elias process theory, change occurs as a paradoxical transformative process. Building further on Elias, Stacey (2011, page 309) explains change as a self-organizing emergent process of constructing the future as continuity and potential transformation at the same time. Taking this view, the narrative as described in this chapter, can be regarded as a confirmation of Elias' process theory. However Elias ([1939], 2000) analyzes in his work how nations in Europe developed throughout centuries. According to Homan (2013) the main difference between the development of nations and an organization is that in an organization people share a common vision and objectives. This implies that communicative interactions between employees of an organization are not completely free from obligations. For employees in an organization, the degree of freedom to act is limited, as is a person's autonomy. These constraints lead to the development of shared meaning and behavioral rules (norms), based on locally shared information.

Applying the above reasoning to this particular development project, the project team members matched their interactions and their actions based on what was emerging between them. Our project manager controlled this process while at the same time he influenced the behavior of his project team members through his management style.

This brings me back again to the concept of 'collective mind' (Weick and Roberts, 1993). I used this concept in chapter 3, paragraph 3.2.4 to explain organizational performance during acquisition of the order for this project. In my view this was a situation, which required high and continuous operational reliability. As such this situation shows parallels with the high reliability of an aircraft carrier as described by Weick and Roberts (1993).

The importance of the current project phase we were in is that our project team had to

prove that the conceptual design worked according to the required specification. Each project team member had his/her own specific task to fulfill and at the same time was dependent on the quality of the work of other team members. The common objective was to deliver an end product according to the specification of our customer.

Tsoukas and Dooley (2011) state that collective mind should not be looked upon as a set of given properties but as a style manifested in action. In their view the collective mind is an emergent joint accomplishment, irreducible to any particular individual. It is made possible to the extent that contributing individuals are not seen as separate entities but as relationally constituted team members.

As this project moved on, our project team members seemed to adjust their reactions based on what emerged between them. They became aware of their interdependency, learned from each other and developed a shared meaning, e.g. the motivation to make the design of the product together. It is likely that during this process a collective mind emerged, from which success could emerge.

## **4.3. Reflection**

### **4.3.1. My role**

I wrote the first concepts of this narrative while I was in the middle of the processes as described in section 4.2 of this chapter. During the writing process I realized that many of the issues regarding customer orientation, which I have been dealing with in my professional career (chapter 1), came together in this narrative.

When reconstructing the story for this chapter I noticed that the initial versions of the story contained a lot of emotion, like anger and frustration, about the fact that no one seemed to listen to our customer or tried to understand what our customer really wanted. On the other hand I was astonished about the loyalty of our customer.

Just before this project was acquired (chapter 3) I joined this organization after being unemployed for several months. During the period that I wrote this narrative, I was still figuring out what are the things that I have to take for granted and one does not talk about in this organization. I was also looking for a way to pursue my own objectives in this organization, since I am an experienced sales person with a proven track record in technical international oriented business-to-business environments. In the introduction of chapter 1 I explained that the type of sales processes I am involved in, are characterized by long sales cycles. I learned to tackle large challenges and problems and to continue until a satisfying result is found, whereby the combination of commercial insight and high quality operational support helps me to build trust in business relations. I consider my

strength and comfort zone as the hunter for new projects, which is different from the role I had in this narrative. Now I was more a liaison officer. A person who worked on the boundary of an organization and who balanced between the requirements of our customer and the objectives of the organization I worked for.

#### 4.3.2. Lifelong learning

My choice to pursue a commercial position was originally motivated by career perspective. Since my background is technical, I first had to learn what it means to deal with customers. Early in my commercial professional career this was a new aspect for me. I was curious and eager to learn, a person who is always looking for challenges, as if I am continuously expanding my own borders through learning.

In my first technical-commercial job, a manager taught me the importance of a customer in my work, while in his view customers provide the merit of a company. He didn't give me a set of tools but instead he shared his experiences with me, through story telling and these indicated many years of field sales experience. It felt to me as if a father figure was teaching me how to become a commercial professional.

Ofcourse I also followed several commercial trainings, such as where I learned to interpret statistical data (how to extract information from data) and how to develop an approach to address new customers in potential new markets (the practical implementation of a diversification strategy).

In yet another later phase of my commercial career I learned new insights from prof. Verbeke, during a course on sales and account management. His course influenced my way of working in the years after. Prof. Verbeke studied the predictability of complex purchasing processes by determining to which extent a customer is open to the proposal of the selling party, whereby he takes the view of the individual sales person. From his courses I learned to apply technical knowledge in a social context (Verbeke named this "to become street-smart") as well as how to manage emotions during sales encounters and the awareness of social intelligence, which are according to Verbeke (2005), driving forces behind every successful sales person. I also gained insight about selling knowledge and how to become a trusted advisor for (potential) customers.

Whereas Verbeke studied the individual sales person I became more and more aware that in the technical environment I am working, my success depends on others (colleagues from different departments, customers), but at the same time they are also depending on me. Hence the choice of my topic for this thesis.

For many years I was inspired and motivated by different persons, in their role as mentor and not only as manager. I found myself in a setting where I could learn and enjoy the experience of rising above my perceived limitations to discover new levels of my capabilities.



#### 4.3.3. No more mentors

My role in this narrative was new and different to me and I was continuously searching how to shape this role. In addition the management style was new and awkward to me, leaving ample room to discuss problems and find a solution in a constructive way.

In this project phase there is much that continually troubled me: conflict, miscommunication, the stifling of creativity, difficulty to communicate the understanding of our customer. There was so much uncertainty, so much confusion and so few landmarks providing orientation. In this respect Shotter (2005) draws attention to the question how much one can notice, all the small but relevant details that contribute toward our understanding of another person's meaning in a particular practical context.

Most of my confusion and uncertainty emerged in the interactions with my superior manager, our CFO and CEO. I experienced the management style as directive and paradoxical and that confused me. In one way I felt grateful towards my superior manager, as he selected me as the preferred candidate. I learned from him too, for example to pay careful attention to the way to write formal documents to a customer. Endlessly we discussed together the phrasing of text, for example for a quotation.

On the other hand he was one of the main reasons for my decision to leave this company after only a short period (paragraph 4.2.7). I was always uncertain how my superior manager would react on my way of working. His reactions were often full of emotion and abuse. The emotion I felt, motivated me to search for literature linking emotions and management style, of which Dasborough (2006) is an example. I found the attitude of our CEO and CFO erratic, especially while this project was by far the biggest one ever realized by our company. Twice I had to re-schedule an appointment because our CEO had other obligations (chapter 2) or refused to meet with the customer (paragraph 4.2.5). And why didn't our CFO show up at a meeting he organized himself (paragraph 4.2.3)? Another remarkable moment for me was the sudden interference of our CEO (paragraph 4.2.4), where he just issued a directive without following it up.

From all these occurrences I concluded that our CEO and CFO were apparently busy with other (more important) things and most likely this is the reason that they gave little attention to their own staff or this project.

My ability to orient toward the circumstances I experienced, has to do with my knowing, which is an aspect of my identity. Knowing differs from knowledge, which is like an asset you can acquire and store. What I did with my knowledge and the experiences I obtained, becomes knowing and is an ongoing process (Shotter, 2005).

Resulting from the experiences described in section 4.2, my attitude towards management changed, I became more critical, which can be seen from the literature I choose to reflect on the situations described in section 4.2. From the paper of Alvesson

and Spicer (2012) I learned however that the situations I experienced in this narrative are not unique.

#### 4.4. Findings and Topics for further research

In this chapter I focused the attention towards an understanding in action, which is quite distinct from the kind of cognitive and intellectual understanding that has dominated modern organizational thought. Shotter (2005) named this knowing or understanding, a practical knowing from within. In Table 4.2 the findings, or the practical knowing from within, is structured. Table 4.2 is an extension of Table 3.1 presented at page 93 of chapter 3. In Table 4.2 a column has been added with in each adjacent cell an illustration from the narrative of this chapter.

Relevant 'established' literature	Summary of findings	Complex Responsive Processeses	Relevance for this study	Illustration from this narrative
<u>Blankson, Motwani, Levenburg (2006):</u> Stated that if a business is to achieve profitability, the entire organization must be oriented toward satisfying customers' needs.	Found that motivated and committed staff is regarded as an important factor to achieve business success (profitability).	The complex responsive processes approach points to interdependence of employees of an organization (Stacey, 2011, p.301).	This study will not take the perspective of one person. Instead patterns of interaction between interdependent people who produce further patterns of interaction are studied (Stacey, 2011, p.324, table 12.3).	The members of our project team were committed to fulfill the requirements of our customer. We were convinced about doing the right thing for our customer. However we particularized the end product in a different way from what our customer wanted.

<p><u>Liao and Subramany (2008):</u> Employees are required who embrace the importance of understanding and addressing customer needs and to align their everyday effort with the ultimate goal to satisfy and retain customers.</p>	<p>Found a direct relationship between customer proximity (contact) and employee customer orientation and demonstration of customer orientation by managers (senior leaders).</p>	<p>The complex responsive processes approach looks at the social activity of communication, power relating and evaluative choice (Stacey, 2011).</p>	<p>From the complex responsive processes perspective keeping a customer satisfied has to do with the interplay of intentions, power relations and identities which are related to the department where people belong to.</p>	<p>After intervention of our customer (par. 4.2.2), the project team took responsibility of the problem of our customer. The interactions in the project team led to a shared meaning how to develop the product, which resulted in a satisfied customer (par. 4.2.9).</p>
<p><u>Shah et al. (2006):</u> Conceptual paper where an organization is looked at as a 'thing', which can be moved around.</p>	<p>Concluded that customer orientation can be improved by shaping up the structure, culture, processes and metrics.</p>	<p>This perspective focuses on human behavior and interaction, which implies that the only agents in a process are people and they are not thought of as constituting a system (Groot, 2007). An organization is regarded as a social object: an ongoing patterning of the relationships (par. 4.1.2).</p>	<p>Patterns of relating are investigated, regardless of hierarchical levels or how the organizational structure is defined.</p>	<p>This narrative describes how the persons involved in the project continually respond to each other and to members of our customers' organization in their attempt to fulfill the requirements of our customer.</p>
<p><u>Kennedy, Coolsby, Arnoul (2003):</u> Performed case study research during implementing customer orientation in an organization.</p>	<p>Concluded that work processes should be designed throughout the entire organization in a way these add value to the customer. Also found that commitment from management is an important antecedent for customer</p>	<p>In the complex responsive processes perspective, studies are arranged as narrative and propositional themes that organize experience (Stacey 2011, p.319). Processes are regarded as responsive acts of mutual recognition</p>	<p>From the narrative described in this chapter the question comes forth if a (technology) project should only be understood as the implementation of merely a plan with corresponding work processes and resources.</p>	<p>One finding of this narrative is that when persons from different departments work together, each member has an identity, which is formed by the department the person belongs to (see par.</p>

	orientation.	(Stacey, 2011, p.321).		4.4.2).
<u>Saxe and Weitz (1982)</u> : Studied the degree of customer orientation of sales people.	Found that building longterm relationships is an important factor. Customer orientation is about “interacting with” and encouraging customers to talk about their problems.	The complex responsive processes perspective studies local communicative interactions and looks at what emerges from these interactions (Stacey, 2011).	From the study of Saxe and Weitz (1982) the interaction with the customer is studied in a broader perspective. The objective is to provide insight to what happens when building a (business) relation.	This narrative points to the consequences of lack of justification, lack of substantive reasoning and the rhetorical nature of conversation.
Tuominen, Rajala, Möller (2004): Focused in their study on relationship learning to describe interactions between two organizations.	Found that within the customer relationship management, customer intimacy is an important aspect through which superior customer value can be created. Managing business relations is regarded as an important factor to achieve customer value.	The complex responsive processes perspective does not determine beforehand to look at a variable, e.g. value creation. The approach amounts to a rejection of positivism as a method of researching human action (Stacey, 2012, p.131).	Whether our customer experienced value will emerge from analyzing (reflecting on) the patterns of interaction as described in this narrative.	Our customer gestured that it was them who decided to be our customer, but not at every price. Value emerged when it became clear to our customer that the product matched the initial requirements.
Gummeson, Kuusela, Närvänen (2014): Propoposed that the recasting of supplier and customer role reconfigures the role of marketing.	Role recasting is defined as adoption of new sets of responsibilities, behaviors, obligations and norms, thus creating value for both supplier and customer.	Gummeson et al. (2014) argue that co-creation embraces the interactive relation between a supplier (e.g. our organization) and a customer.	Goods and services are replaced by value propositions in which participants (e.g. supplier and customer) assume an active role as co-creators.	Essential for this project is to understand that we do things with a customer and not to a customer.

Table 4.2: Comparison of established customer orientation literature and the complex responsive processes approach, extended with illustrations from the narrative described in this chapter.

This narrative started with the situation that the development cost and the estimated product price did not meet the customer's expectations (paragraph 4.2.2). The customer intervened and here is the essence of the paradox in the story: the customer helped himself and took control over the situation, regardless of what happened in our organization.

The objective of our customer was to realize an innovative design, based on their conceptual ideas and indeed in earlier phases of the project we came up with innovative technical concepts, as described in paragraph 3.4.4. From the customer's point of view our ability to understand their technology as well as our specific knowledge about optical design were crucial for selecting us as their supplier.

The meaning of how the final product for our customer would have to be designed by us, emerged from the conversations with our customer and between members of our project team. This meaning became our strategy for developing the product. Our particularization of the end product differed however from that of our customer. In paragraph 4.2.2 I argued this was due to lack of requiring justifications and lack of substantive reasoning from our side. Based on the information of our project manager I had no reason to require further justification. Also my superior manager did not question the solutions proposed by our project manager. The question arises how people, including myself, become aware of lack of requiring justifications and lack of substantive reasoning. The only person who kept asking (critical) questions was our VP Technology, his questions were however greatly left unanswered by our project manager and his team members. Here we see an example of the rhetorical nature of conversation as explained by Shotter (2005). People use, even without being aware of it, conversational (rhetorical) devices to dismiss the opinions of others and thus close down the development of a conversation in an exploratory direction.

Our project manager and his team members were responsible for the technical design of the product. The only person who had a complete overview of all technical details of the design was our project manager. I think he realized his powerful position and this is why perhaps he sometimes could afford to do what he thought was best for the project and even ignore critical questions from his superior manager. Apparently it seems that the feeling of having power made him focus less on the requirements of others (e.g. our customer, our management).

Some time after the intervention of our customer, we can see another change in behavior of the members of the project team. It seemed as if they listened now more carefully to all requirements of the customer, including the price targets. The project team was clearly influenced by our customer and here we see another calendar midpoint (Gersick, 1988 and paragraph 3.3.3). The efforts of our project team resulted in a satisfied customer who perceived value. In their active role as co-creators of value, the working relation with our customer demonstrated the determinant factor of value as a main driver

for our business success. Our organization paid however a high price to achieve this (decline of profit).

The events described in the narrative of this chapter brings us to the question if a technical development project should be understood only as the implementation of merely a plan with corresponding work processes and resources. Johannessen and Stacey (2005) argue to regard technology as a social object (paragraph 4.1.1). They state that technology is developed by people to accomplish activities and as such technology is a physical object. However the techniques for developing and using the technology involve complex social acts.

This narrative demonstrated that a technical design project should be understood in terms of participative action, involving people, technology and resources. Focal issue in the technical business-to-business environment of this narrative is the awareness of the role of supplier and customer as co-creators of value. These roles require an active dialogue between all persons involved. In chapter 3 I referred to Prahalad and Ramaswamy (2000), who stated that such a project implies shared learning and communication between two equal problem solvers, which requires willingness to engage in an active dialogue. Such an active dialogue may have revealed early warning signs of changes in the customers' attitude, i.e. our customer lacking value.

#### 4.4.1. Managing a team of professionals

From section 4.2 and the reflection in paragraph 4.3.3 can be concluded that managers influence the quality of the interaction and thus the social act from which meaning is constituted. Established literature also points to the importance of the role of management as an antecedent for customer orientation. Kennedy, Coolsby and Arnoul (2003) concluded that commitment from management is an important antecedent for customer orientation and Liao and Subramany (2008) pointed to the importance of managers to act as a role model with respect to customer-oriented behavior (table 4.2).

In professional services as described in this narrative it is likely that the technical professionals working on the design have considerable more knowledge about the technical nature than their manager. An important antecedent for managing this type of services is the tension balance between interdependence and autonomy as studied by Mastenbroek (2004, 2006), who performed organizational studies for which he used the work of Elias.

Mastenbroek (2004, 2006) investigated to what level of detail control should be, versus an increased responsibility of individuals working in small groups. He concluded that in horizontal relations the combination of assertiveness and teamwork are important factors. In vertical relations he noticed a development to a balance of control and stimulation of own responsibilities. Based on these findings Mastenbroek (2006) suggests

a management style whereby there is attention for improved communication, combined with a balanced feeling of control and self-organization. Improving communication means for managers that they realize that their messages only emerge into a meaning after clarification through conversational practices. An example of this is the meeting our CEO organized (paragraph 4.2.4), where he issued a power statement in a situation where he was not directly involved. According to Shotter (2005) such a statement must be responsive to all the relevant local details, in such a way that those to whom it is addressed sense it as important. Otherwise the people who are addressed will lose faith in their leader. This example indicates the importance of awareness among managers of the phenomenon stupidity management as postulated by Alvesson and Spicer (2012). Their intention with this concept is to encourage recognition among managers that what might appear to be an act of stupidity, may not be due to individual cognitive deviancies, but to the management style, which may be the cause of disappointments and failures.

Managers in the organization I worked were apparently not aware of the consequence of their behavior. To increase this awareness, managers must be willing to inject some aspects of critical thinking and reflection into organizational life. But given the pressure we faced in this project phase, can it be expected from a manager to make time for a real dialogue, an investigation inquiry, instead of looking for a solution in a very targeted and result driven way? Was it possible to stay calm and take the time required for a reflection?

Kessels, Broers and Mostert (2002) claim that by making time for reflection and enter a dialogue may lead to a feeling of elementary pleasure, which comes forth from mutual involvement and a feeling of doing a job together. We experienced this during the acquisition phase of this project (chapter 3, paragraph 3.2.5), where two senior managers actively participated and thus helped to raise the skills and awareness of all involved.

The question arises how to establish knowing for these requirements among managers in such a way that they resist the temptation of stupidity management and really relate. Shotter (2005) points in this respect to a problem, which is that we generally intellectualize difficulties as problems to abstract ourselves out of the real issue, and that is a difficulty of relating. When relational engagement prevails and managers share common experiences with recognizable responses, instead of giving prescriptions, how will this happen? And how do the power relations than affect dialogues individuals engage in? These questions need to be further explored and in the next chapter I'll pay attention to these questions.

#### 4.4.2. Working customer oriented – how difficult can it be?

This narrative explored how customer orientation is dealt with in practice by studying the currents of communicative interaction during the development of a product based on the requirements of a customer. This narrative further demonstrated that communicative interaction, both with our customer and in our own organization, does not constitute

some harmonious whole. What went on during this project phase is about harmony and cooperation as much as about conflict and competition. The consequence of thinking about an organization as a social object is that we come to understand an organization as iterated patterns of interaction between the people involved.

Stacey (2011, page 397) argues that another way of talking about the enabling/constraining nature of a social object is to talk about power. Elias (1991) points out that power is a characteristic of human relating and is felt as the dynamics of inclusion and exclusion in which identity is formed. I will elaborate this more in detail with respect to this narrative.

Already during the acquisition phase of this project, people from different departments worked together to define the project proposal (chapter 3). The project ended however with a situation where it felt to me as if the commercial department and the project team were two separate camps (paragraph 4.2.9). Here we see an example for what I named fortresses in an organization (chapter 1). To explain how this could happen I first turn to Shotter (2005), who explained that the shared background of normative expectations and anticipations embodied in our shared ways of acting, provide us with agreed criteria in terms of which we judge the meaning and value of each other's actions. The complex responsive processes perspective regards our organization as an iterated patterning of communicative interaction between a number of interdependent employees and groupings of them (Stacey, 2011). Each of our employees belong to a group, e.g. I belong to the sales department and our project manager belongs to the engineering department. Each of these groups give rise to 'we' identities of their members, providing them with a powerful sense of identity.

For the persons who are part of a respective department one practice dominates their activity. This is referred to as an insider activity. Other activities are then considered as outsider activities. This insider/outsider dynamic, described by Elias and Scotson (1994), defines a close link between power and identity in organizations. The existence of one group or department in an organization is dependent on the existence of another group or department. When activities of persons from different departments interact, conflict arises because people who perform different practices experience power and identity issues associated with their dominant own insider activity in relation to others. The main insider activity of our project team, as part of the engineering department, is to come with adequate technical solutions. The price request of our customer was considered as a commercial outsider activity and thus not given any attention. This reasoning makes it understandable that the members of our project team initially were focused on the best technical solution for our customer.



#### 4.4.3. Further research

Both this narrative and the narrative described in chapter 3 are examples of more than thirty years of working experience in commercial departments of organizations who operate in technical environments, i.e. where a product or service is being tailor made for a customer and consequently people from different departments are involved.

This is however the first time I performed an in-depth analysis of what happened during acquisition and realization of one of such projects.

Specifically Mead's theory of communicative interaction (paragraph 4.1.1), as one of the foundations of the complex responsive processes approach, helped to gain insights into the first part of the research question *why it is so difficult to develop and uphold a customer-oriented practice in a technical oriented organization?* In this narrative we have further seen that everyday actions are constrained and enabled by power relations and experiences of identity, as explained at the end of the previous paragraph. These experiences of identity are acts of inclusion and exclusion that define people 'inside' or 'outside' various groups in an organization (Elias and Scotson, 1994).

We managed to realize our first project after the intended change towards service differentiation, as explained in chapter 3 (paragraphs 3.1.1 and 3.1.2). Consequently the narratives in this and the previous chapter described the dynamics of organizational change.

The first results of this project indicate that efforts to co-create with a customer by developing tailored solutions were successful as our customer indicated towards the end of the project that he experienced added value. Our customer showed trust in our solution by initiating a production order for several thousand products.

The conflict between our organization and our customer turned out to be a source of novelty, as to our project manager and his team members the conflict brought forward a solution they did not thought about before. But as explained in paragraph 4.2.10 our company paid a high price.

A little more than three years after the successful acquisition of this project, I ended up in a position where I had to find another job. A few months before my resignation our project manager, as well as my superior manager had left the company. This research will be continued from a different technical organization, which is not in any way connected to the company described in this and the previous chapter. My job will however be similar: acquiring projects at customers in close cooperation with people from a technical department. For sure management will also be involved again and I will describe how I experienced their role. The fact that I had to change job offers a great opportunity for comparison that might bring a new dimension to this thesis.



## **Chapter 5**

### **Acquiring a Project at a New Customer while working in an International Technical and Multi-Cultural Environment**

#### **Project 4**

## 5.1. Introduction

The purpose of this study is to investigate how employees and managers, who work in technical oriented companies, serve customers and how they deal with customer related problems. This topic is discussed in much of the established literature under the umbrella 'customer orientation'.

In the previous chapters I have described and reflected on the many surprises, both good and bad, I encountered, when supporting a customer-oriented approach in the companies I worked for. I discovered that a will of doing good is often present by many working in an organization, but that in practice this good often lead to not fulfilling what the customer initially requested. As I have explained in chapter 3 and 4 this has negative consequences for all parties involved, and can lead to wasting substantial amounts of money and endangering a business relationship. Although it is and was not my ultimate purpose, I often ended up in the middle of the tension between supplier and customer.

In this last reflexive narrative of this thesis I again describe the acquisition of a large order. I try to develop a deeper understanding about my role and influence as commercial representative in the patterning of the broad organizational relationships. My findings from chapter 3 and 4 should help me in preventing some of the earlier mistakes and contribute to the insights what customer orientation in a company means. Shotter (2005) named this way of understanding organizational life a practical knowing from within.

The preceding narratives described in chapter 1, 3 and 4 indicate it takes much effort to align persons from different departments in an organization to consider the requirements of a customer important in the work we do. Many employees of a company influence however customer relations, customer satisfaction and customer perceived quality, as well as revenue, even without realizing it (Gummesson, 1990).

In chapter 4 (table 4.2 and paragraph 4.4.2) we have seen that when persons from different departments have to work together, each member joins the conversation with his or her own identity, which is also formed by the people in the department the person belongs to. In chapter 3 and 4 I demonstrated that a technical design project should be understood in terms of participative action, involving people, technology and resources and not only in terms of a plan with the proper resources. This insight is an invitation for further research into the dynamics and complexities of commercial interaction processes in technical oriented organizations.

The current narrative takes place in a different organizational environment compared to the ones in chapter 1, 3 and 4, and a new aspect is that my new employer is financially stable and has a strong brand name, compared to the situations described in the previous naratives. The company I work for in this narrative is Japanese and this offers the possibility to explore organizational cultural dimensions that were much propagated in

1980's, but that seems to have disappeared: namely the alleged advantages of so called Japanese management, in this case linked to customer orientation.

## **5.2. Acquiring an order while working for a company with an established brand name**

After ending up in a position where I had to look for another job, I found a position as a senior sales representative for a Japanese company. The company develops and produces precision mechanical components for various technical applications. Product development activities of this company are located in Japan, but production facilities and sales offices are found in numerous countries all over the world.

I came to work in small sales office, where five people are working, who are responsible for the sales operation in The Netherlands and Belgium. In Germany there is the European headquarters (EHQ), from which all the sales offices in the various European countries are managed and controlled. At the EHQ there is also a technical support department, to support the local sales offices with challenging technical requests from customers. Management at the EHQ is partly Japanese, partly European. People from the respective countries manage the local sales offices. In some cases a person from Japan or Germany manages a local sales office. The latter is also the case in The Netherlands, where a German person is managing the sales office and who also is my superior manager.

Although the environment is technical, the way of cooperating with a customer is different from the situation described in the previous chapters. This company sells a wide range of standard products, which can be configured for a customer. In some cases a special version of a standard product can be made. More and more managers of this company recognize that the type of products they bring to the market are regarded as commodity goods by the customers. This implies that there is little brand loyalty. The supplier who can deliver the goods at the lowest price and with the best delivery conditions will receive the order. Combined with the annual product volumes my new employer realizes, make this a situation that looks similar to a Business to Consumer (B2C) environment. Consequently there is more pressure on the sales efforts to acquire sufficient customers. Sales persons experience pressure to do a minimum amount of visits per day and this results in less deeper relations with customers, compared to the situation as described in the previous two narratives (chapter 3 and 4). In this competitive arena the company positions it selves at the top end of the market. The quality of the products is outstanding, which is recognized by our customers. The market is however divided between five top ranking suppliers plus a number of smaller suppliers. The strategy we

pursue in The Netherlands and Belgium (my working field), is to offer unique solutions to customers. The narrative described in this chapter is an example of this sales strategy.

#### 5.2.1. Handling a request from a customer

In the first month of my work, a potential customer from Belgium contacted us with a rare request. He saw on our company's website that we offer solutions for earth quake protection. We contacted the customer to ask for more details, but the information we received was rather vague. I checked the website of the customer and saw that it is an old company designing show cases and pedestals for museums.

As the end of the year was reaching we were all busy with the budgets and plans for the upcoming year, this customer request somehow got forgotten.

At the beginning of the New Year the customer contacted us again and this time the question became more clear to us. In our local office we have however little experience with earthquake protection (or rather: seismic isolation) equipment, so we were reluctant to provide answers via email or telephone. I managed to convince the customer that it is better to have a personal meeting to discuss and understand the requirements. Because I just started at this employer and indications were such that this could be a project with a high potential turnover, but also with some risks, my superior manager joined me at this visit.

During the meeting at the customer we came to understand the size of this project. Our potential customer acquired an order to deliver a large number of showcases and pedestals for a museum, which is located in an earthquake sensitive area. Therefore the customer was asked to provide a seismic isolation for their showcases and pedestals to protect the art objects in case of an earthquake. Since our company offers seismic isolation equipment the customer contacted us. We received drawings of the showcases and were asked to prepare a principle solution. We also received an indication from the customer of their available budget for seismic isolation.

Back in the office I made an extensive visit report and because of the size of this potential project, both in volume and quantity, my superior manager decided to organize a meeting at our EHQ with management and the technical support department. Purpose of this meeting is to determine if we want to acquire this project and to ensure adequate technical support. Attendees of the meeting were my superior manager, the European sales director and an application specialist from our technical support department. The latter two persons were Japanese. I began to outline the scope of the project and quickly caught the interest of the European sales director, who almost immediately began to draw possible solutions. I learned that seismic isolation is in Japan much more common than in Europe. Based on the information we received from the customer, the European sales director demanded the application specialist to prepare a principle solution. I was requested (summoned) to schedule a follow-up appointment with the customer,

together with our application specialist, to discuss our solution in a personal meeting.

For me this was my first encounter with my new Japanese colleagues and management. From my superior manager I learned that to get an appointment with the European sales director is not just asking for a meeting, with a motivation. Instead a meeting is granted at a specific day, without mentioning a specific time. To me this felt like an audience with a member of the Royal family. During the meeting the (Japanese) application specialist showed, according to what I observed, humbleness towards the European sales director. I realize I have to be careful with interpreting my observation, as I am not aware of Japanese manners and do not understand the language.

Three weeks later we have a follow-up appointment with our potential customer. I visit the customer again, this time together with our (Japanese) application specialist. The person we meet at the customer is the engineering manager. The meeting starts with a general introduction and via an introduction of our earth quake protection solutions we end up discussing the seismic isolation of showcases and pedestals for the project from our customer. Based on the information I received during the first visit, our application specialist was able to prepare principle solutions. The customer tries to understand how we made the calculations and configurations and he asks questions. What caught my attention is that our application specialist is not answering to all questions. In some cases he gives a standard answer, referring to the specifications in our technical data sheets. Apparently the customer thinks our application specialist did not understand the question, so he breaks his question up in smaller questions and shorter sentences. Our application specialist replies however in a similar manner. Did he not know the answers and did he felt shame to admit that? Or is this policy of my employer not to share too much information? Or is this a Japanese cultural issue, being afraid to say 'no' out of respect for the customer?

After about two hours the meeting ends with the agreement that we will make a quotation for a number of pre-defined showcases and pedestals. We also agreed to provide data about a simulation of an earthquake in the area where the museum is located.

On our way home from the customer we evaluated the meeting. Our application specialist seems to be worried about the price at which we have to offer. I find this strange because we did not discuss price issues during the meeting with the customer. I deliberately did not bring up the subject of price. My intention was to build up trust with the customer, that we are the most suitable business partner to provide seismic isolation for their project. Besides I received during first meeting a global price indication. I tried to explain this to the application specialist, but he kept worrying about the price.

About ten days after the meeting I receive technical- and price information from our application specialist. The price information is much lower as the indication I received during the first meeting with our (potential) customer. After consulting my superior manager, we decided to make a quotation, based on the level our application specialist suggested. As this price information comes from Japanese management we assume that they find this an interesting and important project, although this was not communicated to us explicitly.

Four weeks after I sent the quotation to the customer, a project manager from the customer contacted me. He explained that he took over the work from the engineering manager I met before.

This project manager asked quite some detailed technical questions, which I forwarded to my Japanese colleague, the application specialist. From the detailed information (i.e. drawings), which I received from the project manager, I conclude that our customer is constructing a test set up. After clarification I forwarded this information also to our application specialist.

This time it takes more than one month before I receive any answers from our application specialist. And when I finally got the answers, these were one-liners.

While waiting for answers I felt myself squeezed between the customer and our application specialist. The customer kept asking me if I had received any answers and from our application specialist I did not hear anything. I tried to win time by giving parts of answers. I was able to do this by studying our (internal) technical documentation. Except for our Japanese application specialist there is no one in the technical support department with adequate knowledge about seismic isolation.

#### 5.2.2. Delivering a first prototype

About four months after our first visit to this customer all of a sudden a person from the purchasing department contacts me. From this person I learned that the customer is planning a test with a pedestal and a dummy artwork with a weight of 750 kg. For this test, the customer will order a first prototype.

The test will take place at the university of Athens, where prof. Spyrakos is head of a laboratory, specialized in testing seismic isolation of art objects. During the test an earthquake will be simulated. Prior to this test a junior project manager from the customer forwards questions from prof. Spyrakos to my manager, but no action was taken to answer the questions. Only when the professor calls my manager personally, appropriate action is undertaken, but then a few weeks have passed away.

It takes another month before we finally receive the order for a prototype. One reason is that our customer took time to select the product, which was best suited to perform a test. Another reason is that we found out that there are problems with the credibility of our customer. Apparently in the recent past there were financial issues and this means



that we cannot get a credit insurance. The consequence of not getting a credit insurance is, that if the customer still wants our goods, the goods have to be paid in advance. Our customer understood and accepted this. After the order was placed and we received information that the amount was paid, we entered the order into our logistics (ERP) system.

The customer asked for a delivery of the product within four weeks, which we could not guarantee. The reason the customer kept pushing is that they reserved a time slot to perform a test in Athens, where also the end customer (the owners of the museum) would be present. This was not communicated clearly with us. We stated clearly and timely that we require a certain minimum delivery time, but apparently our customer disregarded this information. When we explained this to the purchaser who placed the order, he simply explained to us that for such a simple product, delivery should be possible within four weeks. He asked us in case we were not able to supply the entire product on time, to send us the parts so that the customer can assemble the product himself. He even compared our product with an Ikea product. This remark leads to heavy emotional reactions from my superior manager. She really got angry. Nevertheless my superior manager asked help from Japanese management and although we did not get any guarantee, the prototype was delivered within two weeks, which was well in time. Unfortunately somewhere in the logistics chain a mistake was made with the type number. This meant that our customer received the wrong product. In a matter of hours we corrected our mistake and ordered in Japan the correct product. Within three days the product was ready for shipment from Japan. In order to ensure a timely delivery we had to ship the product directly from our factory in Japan to Athens (Greece). Although we are a global company, we have no sales office in Greece and also not an agent who can take care of custom clearance. We thought we had this solved by using an appropriate forwarder. Unfortunately two problems occurred. First there was a delay upon arrival of the goods. The flight from Japan to Athens went via the USA. In the USA the connecting flight was missed due to delay of the incoming aircraft from Japan. And in Athens it turned out that there was a mistake with the custom papers. This meant that the goods could not be cleared by the Greek customs. Telephone calls from the project manager of our customer with our sales administration followed, where emotions were clearly expressed. To a certain extent this was understandable, given the pressure our customer was facing. Finally we managed to get the goods through customs on a temporarily basis, so our customer could perform the test. The test itself went smoothly and the results were above expectation.

### 5.2.3. Losing the project

About two weeks after the test in Athens, I visited the customer again. My purpose was to understand more in detail what happened at the Greek customs. The project manager insisted however first to show me a movie of the test in Athens. During this test an earthquake was simulated and our product was supporting a pedestal with a 750 kg (dummy) art statue. To me it seemed that, despite all problems we faced (wrong delivery, custom issues) the project manager was impressed by how our product functioned.

But because of our initial wrong delivery and the issues at the Greek customs, our customer claims he made extra cost. Besides, the project manager tells me that the end user (museum) suggested to look for an alternative solution. This last remark occurred to me as a hidden threat. I did not react on the remark, but took notice of it. I asked what the extra costs incur and I received a list. I looked at it and at first glance it seemed reasonable to me. There were costs mentioned about extra-unforeseen hotel expenses and cost for custom clearance. I have however not the authority to decide about a credit and I explained that I needed to discuss this subject with my superior manager who is authorized to decide about such matters. The customer accepted this and as holiday season is reaching we decided to contact again in about 4 weeks.

Back in the office my superior manager asked me about the meeting and I reported. She reacted again in a furious way. In her view we did nothing wrong. Even after our mistake we still delivered according to our delivery notice. How dare the customer put a claim at us? While listening to this outrage the impression occurred to me that our customer should be grateful that he received a product from us and that we were willingly to deliver to him. As for the custom issues, my superior manager told me she would look into that matter. I left it at that, not the least because I went on holiday.

Shortly after my return from my summer holiday, my superior manager and me visited the customer again, this time to discuss the issue of the extra cost our customer made in Athens. When we arrived at the customer the purchaser, who earlier compared our product with Ikea furniture, welcomes us. Also the project manager from the customer was present at the meeting. Before starting with the discussion about the claim, the project manager suggested to show the movie that was made during the test in Greece. My superior manager refused to see the movie. Instead she insisted, almost shouted, that she will only talk with a manager of appropriate level. The purchaser looked surprised, even frightened according to my observation. He left the meeting to get his superior manager, the director of operations. At the same time the project manager disappeared silently. He told me he had to attend a conference call.

After a while the director of operations appeared and the meeting finally started. The director of operations managed to ease down the situation and my superior manager explained her side of what happened with the first delivery. She explained that we made two deliveries within four weeks, which was well within the agreed delivery time. In her

opinion we were not to blame for anything and therefore we reject any claim for extra costs. Then the director of operations explained the situation around the delivery of the first prototype to Greece as our customer experienced it. In his view our customer lost face to the end user and extra cost incurred due to the troubles around the delivery of the first prototype. The director of operations suggested sharing the cost. My superior manager refused this, but makes a promise to compensate for the airfreight cost for future deliveries.

After this discussion the director of operation signaled that the meeting is over, but my superior manager started however some small talk, which was ignored by our customer.

The result of this meeting was unclear to me. In my view we did not solve anything, we just exchanged points of view. We also did not agree on further action points. From this I concluded that this project is lost and I do not undertake any action anymore to pursue an order.

#### 5.2.4. Revival of the project

After about three months the project manager from the customer contacts me, with the intention to schedule a meeting. As I am unable to drive due to an accident, I travel to the customer together with a colleague from the internal sales department.

The project manager and some of his team members welcome us. When our internal sales person introduced himself the project manager offers him apologies for his behavior half a year ago, when the delivery to Athens went wrong. He explained that he was under extreme pressure.

To our surprise the project manager tells us that the project will continue with our proposed solutions. However he demands that the product which is still in Athens in customs, will be returned to them. Reason is that our customer paid for this product, but we made a mistake. Attempts from our customer to get the product out of customs were unsuccessful. A logistic expert from the customer joins the meeting to explain what in his view went wrong with the customs paper work for the shipment to Athens.

The remaining part of the meeting is spent on a technical discussion about solutions for the different showcases and pedestals. A few of these requested items are too complicated for me to configure, so I explained that I need technical support from our European headquarters (EHQ) in Germany. This was not a problem and the customer allowed me to take all drawings with me.

Back in the office I discussed with internal sales and our financial administrator about the possibilities to get the product from Athens back to our customer. Our financial administrator explains that he takes care of all airfreight invoices for Europe, because all goods from our factories in Japan arrive at Schiphol Airport (NL). Our company uses an agent at Schiphol Airport who is responsible for customs clearance of our goods.

I contacted this company and explained the situation. Three weeks later our customer received the product, which was in Athens.

Our financial administrator managed to hide the cost of this action away from our superior manager, as she refused all forms of cooperation.

This was a collective action of all employees in our local sales office, because all colleagues felt we needed to help the customer with this issue.

#### 5.2.5. Getting the order

In the meantime my Japanese colleague from the technical support department worked on the recent requested technical proposals. Unfortunately he needed more time than expected, mainly because it was necessary to consult with his colleagues in Japan. Nevertheless a few weeks after submission of our technical proposals, we receive a request for quotation from our customer. During the quotation process we again verified the financial situation of our customer and unfortunately our credit insurance company came back to us with a message that the financial situation at our customer is still unsure. We solve this by demanding pre-payment of the goods we offered.

After having received our proposal, the director of operations contacted me to negotiate the cost of transportation, based of the promise made by my superior manager six months ago. He also asked about the possibility to deliver the goods directly to the end customer in the Middle East (Abu Dhabi).

The fact that we demanded pre-payment caused a reaction from the CFO (Chief Financial Officer) of our customer. In a polite way he promised me to solve this matter quickly and asked me to send the details and contact person of our credit insurance company. After a short period we indeed receive internal company information from our customer, which can be interpreted that the financial situation improved. Our financial specialists study this document and concluded it is not sufficient enough.

Based on this information our superior manager decided to play it hard: if the customer needs the goods, he has to play it according to our rules and these are: pre-payment and delivery of the goods to Europe and not to a country in the Middle East. I was appointed as the messenger who had to inform our customer. My first step was to ask for a meeting, but our customer declined. Intensive contact via email followed, but this did not resulted into a solution. Finally, six weeks after the request for quotation a meeting is arranged with the director of operations, my superior manager and me. This meeting started with an explanation of the actual situation of all parties involved. The end customer is the owner of a museum located in Abu Dhabi. This is the company from which our customer receives payment. Other parties involved are: the building construction company, an agent in Dubai who takes care of all custom issues and the AFM (Association France Museum) who is responsible for the conservation of the art pieces. The final customer in Abu Dhabi signed a lease contract for art with a famous French museum.

There is also the French architect, who has a big influence on how the seismic isolators have to be built into the showcases and pedestals.

The role of our customer is delivering the showcases and pedestals for the art pieces. Compared to the entire project our customer it is a small but important chain in the entire network. Because of their modest role, our customer cannot decide about quantities or configuration. They just receive instructions from their end customer in Abu Dhabi to deliver as requested.

One main reason why it takes so long before an order can be placed for our seismic isolation products is a delay with the building construction work. Pictures are shown to us, which indicate that inside the building there are still building works in progress, which make it impossible to install showcases with the corresponding seismic isolation equipment. The estimation is that in about three months the building should be finished. This date seems realistic and our customer started already building the showcases and shipped thirtyeight containers to Abu Dhabi, which are stored there.

Another topic on the agenda is the delivery of the seismic isolators directly to the end customer in Abu Dhabi. Our customer explains that sending the goods first to Europe would mean loss of valuable time.

My superior manager explained that we are reluctant to deliver the goods directly to Abu Dhabi, because of concern about custom issues and the issue if something happens to our products. Background of the latter issues is the risk of jurisdiction. Besides, our company does not have a representative in the United Arab Emirates (UAE). At that moment the director of operations invites a logistic expert to join the meeting. This person has sufficient experience with the shipment of goods to the UAE. This expert refers to the Incoterms. He explains that the Incoterms or International Commercial Terms are a series of pre-defined commercial terms published by the International Chamber of Commerce. These are widely used in international commercial transactions and procurement processes. The Incoterms rules are intended primarily to clearly communicate the tasks, costs, and risks associated with the transportation and delivery of goods. A series of three-letter trade terms relate to common contractual sales practices. Because of my long experience in international sales I am familiar with the Incoterms.

According to the logistic expert there are two possibilities to minimize the risk on our side: (1) to send the goods CIF (cost insurance freight) in which case the supplier (we) have to arrange for transport, but custom clearance is done by the customer or (2) FOB (Free on Board). In the latter case the supplier delivers the goods to a harbor in Japan, from where the customer has to arrange further shipment.

It seems my superior manager does not understand this explanation and she holds on to her previous statement. The risk for us as supplier seemed to be the main issue for her. The logistical expert explains again, in a different way, but now my manager gets angry. Both the logistical expert and the director of operations react with amazement.

The logistical expert suggested that I seem to understand the matter, after which I explain it again to my superior manager, using now German language. Finally my manager agrees to verify with our logistical department if shipment based on Incoterms CIF or FOB is possible.

The last point on the agenda is the financial situation at our customer. A key question for us is why it took so long to get a credit insurance for the potential order. The director of operations explained that their firm comprises two companies: A Glass and a Glass Engineering company. The latter one is the company we are doing business with. So the question our customer asks is, if we applied for credit insurance for the correct company? The Glass Engineering Company exists already for 119 years and was until 2013 a family owned business. In 2013 the loss of the company was approximately two million Euros. A new CEO and shareholder came in and already in 2014 there was only a small loss and in 2015 our customer was profitable again. The director of operations promised to share these financial details with us. He then explained that at the credit insurance company we use, insurance for just the order value was asked. Our customer generally uses other credit insurance companies, who use different measures to check the credibility of a company. According to the director of operations, this was the reason it took so much time to get an approval.

After this explanation the meeting ends with a summary of action points, whereby the director of operations points to the risk that the end customer from Abu Dhabi will contact us directly if we take too much time answering the questions.

About ten days after our visit we received all answers from our head quarters in Japan and while we are preparing a proposal one of the colleagues, who is not involved in this project, makes a remark about this customer. This remark triggered me somehow and I became angry. It was as if all my frustration about how we treated and behaved towards this customer came out. I asked why we took such an arrogant attitude towards a new customer, while we had here a challenging project allowing us to grow in turnover? I asked if it normal that a customer has to beg to get our products? Maybe this happens in Japan, but certainly not in a highly competitive environment of the European Union (EU).

In the evening my manager asked what went wrong and I explained my frustration and the problems I have with her behavior towards this customer. To my surprise she started to cry. Her only reply was that she did everything for me to make me feel well in this company. I was so astonished about this reply that I ended the discussion and went home. The next day it was business as usual in the office. We never discussed my outburst of anger anymore.

Six weeks after our last visit and fifteen months after the first contact with this customer we received the order. The customer prepaid this order and despite promises from my superior manager no discount was given on the shipment cost from Japan. The motivation my superior manager gave was that we used sea freight and not airfreight. A positive thing is that the goods were delivered directly from our factory in Japan to the end user in Abu Dhabi, as was requested by our customer.

## 5.3. Reflection

### 5.3.1. Reflection on the sales cycle

Looking at the sales cycle of this narrative it is interesting to notice that we see a similar pattern as described in the previous chapters 3 and 4: during the acquisition phase of this project we managed to create interest and we made an interesting proposal. Then a situation occurred where there was a threat to lose the order, after which a repair action started. Interesting to notice is that there is no relation between the companies of this narrative and the previous two chapters. Still we see similar things happening.

In this narrative we deal with a customer who shares information only partly. Only during the meeting where we discuss the conditions under which we can accept the order (paragraph 5.2.5), the customer gave us the full story.

Apparently this customer took an attitude that we are the experts and have to come with solutions, which is difficult if you do not have all necessary information. This is contrary to the situation described in chapter 3 and 4, where supplier and customer were involved in a co-creating process.

Like in the previous chapter, we see again that the behavior of a senior manager has a great influence on the entire process. Similar to the situation described in the previous chapter, where our project manager took responsibility, in this situation all staff members of the sales office helped the customer in an attempt to restore the relation with the customer, with the objective to increase our chances to receive an interesting order. This joint action was a collective protest to the, in our view, unreasonable behavior of our superior manager.

Shortly after this project was finished my superior manager returned to Germany to take up a new challenge. The European sales director formally took over but delegated in the months after more and more responsibilities to me. In the spring of the succeeding year I formally became responsible for our small local sales office in. Suddenly I found myself in a position as manager and in the next chapter (paragraph 6.4.2). I will share my first experiences in this new role.

### 5.3.2. Experiences of working for this particular Japanese company

Similar to what I described in the narrative of chapter 3, I started in a new organization, now working in a small local sales office, but belonging to a large cooperation. To work in this Japanese company I experienced as a remarkable challenge. I consider myself lucky that I received a thorough introduction training from my superior manager, which also included the dos and don'ts in this Japanese company.

It took a while before I learned how the communication between different departments is organized, namely via the chain of command, which means that information always goes via a manager. The problem with this approach is that, while it serves to enhance the power of the manager, it fails to serve the company. Instead of a problem getting solved quickly, where a person talks to a person from another department and makes the right thing happen, people are forced to talk to their manager, who talks to the manager of another department, who talks to someone on the team. Then the information has to flow back the other way again.

In my working experiences as described in chapter 1, 3 and 4 I could talk or email to anyone in the organization and ask what they think is the fastest way to solve a (customer related) problem, all for the benefit of the company. The point I want to make here is to ensure that things are done with intelligence and agility. In this organization however I have to perform my daily work according to strict rules and regulations. Let me give two examples. If a customer has a complicated technical question, which required support from our technical support department, I first have to fill out a request form and collect the necessary signatures.

If I need to sell to a customer at a special price (lower price than mentioned in the pricelist), I had to follow the procedure 'Special Price Request' with corresponding paper work. If the paper work is not correct, a request will not be answered. Because of the physical distance between my office and the European headquarters, I was unable see in detail what happened with such a price request.

According to prof. Haghirian (prof. of Management at the University of Tokio), this most probably has to do that in Japan decisions are taken not by a single person. Every manager of a relevant department has to agree with the request by signing it. This is called the Ringi system.

Another thing that I noticed is that it takes a long time before I get an answer to technical questions, for example as I mentioned on page 136, when I had to wait for more than one month before receiving answers.

For a sales person it is annoying to wait that long to receive an answer to a technical question, because when acquiring an order, the speed of response is a way a sales person can distinguish oneself from its competitors. Quite often I needed to ask the customer to have some patience or I developed other strategies to gain time with a customer. In some



situations this approach worked, because of the solid market reputation of my employer, sometimes however the customer started to look for alternatives.

I realized well that now I work for a (large) company, which is active in many countries all over the world. For example the technical support group at the European headquarters receives questions from all countries of Europe.

I understand that certain structure and processes are required to handle all questions, but my impression is that my colleagues from the European headquarters did not question the work processes and just applied them in a very strict way.

These examples and experiences indicate that the influence of (Japanese) management is clearly visible in this company through the means of control.

In this respect Stacey (2011, page 386) explains that the ideology of control goes largely unremarked. He states that the demand for control ceases to be examinable as a belief and becomes taken for granted as 'reality'. This view is shared with Vermeulen (2011, page 9), who regards it as a problem for organizations that norms (standards), values, rules, procedures and beliefs are often not consciously perceived and often taken for granted. He argues that organizations are often highly dependent on all kinds of ingrained patterns and processes, which he named institutions. Scott (2008, page 48) defined institutions as multi-dimensional social structures, which comprise regulative, normative or cultural cognitive elements, which give stability, meaning and direction for the behavior of employees. According to Vermeulen (2011), institutions have a great influence on the behavior of employees of an organization. He explains that institutions are on the one side an obstacle for an organization but on the other hand institutions make organizing possible.

The abundance of rules, the tight task demarcation, the formal relation and the way I had to deal with colleagues and superiors make me think of classical social theory, as described by Johannesen (2017, page 63). He refers to Weber (2015) who characterizes bureaucracy in terms of clear hierarchy with well-defined rules and regulations of work tasks and how these should be performed, aiming at stability and discipline.

Vermeulen (2011, page 134) explains that managers and employees need a certain degree of structure to work, thus institutions are to a certain extent required in order to work effectively and efficiently. I question however if the institutions in this company are such that employees have not enough free room for own judgements and corresponding flexibility to solve customer requests.

In the commercial arena, which is my 'playing field', sometimes rules have to be applied with a certain degree of flexibility or even bent to acquire an order. According to Johannesen (2017, page 64) for the bureaucrat the rules and budget come first and the services have to be adjusted accordingly. He explains that often there are tensions between bureaucratic and operational practices.

At the beginning of this chapter I explained that this Japanese company is active in many countries all over the world. Stacey (2011) explains that belonging to a major corporation elicits feelings of enlarged personality. Nonaka and Zhu (2012) bring forward the communal spirit, which provides a sense of belonging, identity and shared destiny to its members. They refer to the Confucian ideal of community, where harmony is generated from diversity, not sameness.

As a sign that I also belonged to this community I received after one year working for this employer a company pinnacle, which I am supposed to wear on the jacket of my suit. With the pinnacle came a charter that I had to sign. Upon resignation I am obliged to return the company pinnacle.

My observations of feelings of an enlarged personality are supported by the fact that in each local office there is a picture hanging of our Chief Executive Officer (CEO), accompanied by the President's Policy for the respective year.

On the rare occasions that I met our Japanese CEO, I noticed that mainly my Japanese colleagues were showing signs adoration for our CEO.

Stacey (2011) explains that there is a strong tendency for a group to idealize the leader. He also argues that managers (leaders) have a tendency to present an idealized future of their plans. Our CEO as leader of a group of people directly enacts idealized values to which people are subtly pressured to conform to, in this case via the annual President's Policy. According to Stacey (2011) such behavior blocks the functionalizing of ideals, which is what an organization needs in order to come alive in the present.

In chapter 4 I referred to Alvesson and Spicer (2012) who argue that managers put strong emphasis on positive understanding of organizational practices through uplifting messages such as organizational visions that promise an identity confirming organizational world. In the view of Alvesson and Spicer (2012), such kind of behavior from management blocks communicative action, because management encourage adherence to certain beliefs and practices and at the same time discourage critical thinking about them.

Combined with the tight rules and strict working procedures as explained before, I come to think that senior management in this organization is not sensitive for the changing dynamics on the operational level of the organization and perhaps management is not even aware of such changes.

To me it seems as if this organization is sticking to (old but) proven working methods, until these are proven otherwise. The paradox in this narrative is that this organization is successful in terms of turnover, growth and profitability. The question arises how managers can change something if they do not (want to) see what needs to be changed?

### 5.3.3. The role and influence of my superior manager

In this study we have now seen two narratives where a senior manager has a great influence on my wellbeing as a member of the organization. As an employee I like to be challenged, inspired, motivated. Instead two superior managers achieved the opposite.

After a few months in my new function there was one thing that bothered me in particular and which gave me an uncomfortable feeling: the mood swings of my superior manager. From one moment to the other she could literally explode with anger. This behavior made me think of my childhood. My father could also react in a similar unpredictable way. As a child I learned to deal with such situations, for which I developed a defense mechanism. When my superior manager exploded, I automatically applied these old defense mechanisms. Bosch (2012) calls this being triggered in my 'old reality'. The behavior of my superior manager triggered pain from my childhood and consequently I use my old behavior, such as withdrawal and trying to find solutions by myself.

Groot (2016) questions what people do if they feel that their contribution is ignored or bullied away. When my superior manager became angry I felt threatened and devalued. I felt fear to read emails from him, I felt fear when I had to ask something, always thinking about ways how to handle a situation in case she would explode again. I was always vigilant, waiting for the right moment. I felt silenced and dealt with the consequences. Having lost my job twice within a period of five years was certainly a driving force for my behavior. My personal situation, which required me to have an income, prevailed above my morality. When however after seven months of working for this company a headhunter contacted me, I regarded this as an opportunity to escape from the situation I was part of.

With a job offer in my pocket and after careful consideration, I still decided to stay for two reasons. I had doubts about my potential new employer. This potential new employer was again a high tech company with a growth challenge; similar to the company I worked for as described in chapter 3 and 4. After my experience with my previous employer, I realized that the financial stability my current employer offered was of great value to me. Another reason to stay was that I knew that my superior manager was supposed to return to Germany. I was aware that the situation would change sooner or later and I did not want to give up and thus kept trying to look for a constructive way to deal with my superior manager. I found the solution in regulating my emotions by developing a verbally and physically strong attitude. To achieve this I received professional help.

Nevertheless I decided to tell my superior manager that I had a possibility to leave. My purpose of doing this was to take advantage of the situation and discuss her behavior and to explain the effects of it on me. Apparently this helped, because in the following months I noticed that requests from me were honored and she even arranged proper technical support when needed. However the mood swings were still there, but seemed less addressed to me (at least this is how I felt it).

During her last month as manager of the local sales office the interval of the mood swings became however shorter and shorter. Perhaps she somehow felt that her power was slipping away. Keltner (2016) found that when people feel that their power is diminishing they resort to (verbal) coercive force.

Earlier in this study I referred to Elias' understanding of power as a central characteristic of every human relationship, which flows from the fact that people are interdependent. Stacey (2011, page 395) explains that power arises in the relative difference of need between interdependent people. According to Hatch and Cunliffe (2008, page 43) power is exercised through practices that arise in discourse. They refer to Foucault who argued that discursive practices derive from language. Keltner (2016) refers to Russel (1938) who observed that the fundamental concept in social science is power. The challenge is now to understand how social dynamics is shaped by power.

Keltner (2016) studied how people gain power and what it does to people when they acquired a position from where they can exercise power. He found in his studies that the cultural understanding of power has been deeply and enduringly shaped by Machiavelli *The Prince* (Constantine, 2007). According to Keltner (2016) the work of Machiavelli is still read by many students in history courses and is taught in schools of government, business and public policy around the world. Following Machiavelli the widespread tendency has been to think of power as involving acts of coercive force. According to Keltner (2016) however, the past forty years has seen a shift away from coercive force as the basis and expression of power. He argues that influence comes not to those who are ruthless but to those with social intelligence and empathy.

In his studies Keltner (2016) found that the seductions of success lead us to lose those very qualities that made us powerful in the first place. He states that power makes us feel less dependent upon others and as a result attention shifts to the own interests of the person who has power. The result of the shift in attention is that the capacity for empathy, compassion, gratitude and elevation diminishes. These are regarded as drivers of sharing, cooperation and altruism, which in turn are direct paths to enduring power. Keltner (2016) concludes from his studies that power undermines the positive intentions of those who are in a powerful position. The behavior I experienced from two superior managers (chapter 3, 4 and this narrative) can be regarded as examples of this finding from Keltner. Both managers showed, according to what I experienced, rude and uncivil behavior. They rationalized their behavior (unethical actions) with stories of their own superiority.

Here we have the heart of what Keltner (2016, page 10) named the power paradox: 'the seductions of power induced them to lose the skills that enabled them to gain power'. The concept of power leads people to endorse more impulsive, unethical behavior, thereby apparently neglecting the effects of actions on others (Keltner, 2016). Stouten,

van Dijke and De Cremer (2012) describe unethical behavior as intentionally harm a person, unfair treatment, not do what one says or change plans unnoticed.

Keltner (2016) further explains that power means one can influence people. He refers to Northhouse (2008) who defined leadership as a process where an individual influences a group of individuals with the objective to achieve a common goal.

Griffin (2002) suggests that the complex responsive processes perspective provides an alternative way of thinking about leadership and ethics. He argues against abstracting ethics from direct experience and locating it in some kind of idealized whole, where leadership and ethics become matters of explicating the rules of a harmonious whole and of individuals conforming to it. Instead Griffin (2002) points to how notions of leadership are interwoven with ethics. He draws on Mead ([1934], 1962), who explained that the leader is an individual who is able to enhance the connection and interaction between group members. This notion of a leader (manager) does not locate leadership in the individual by ascribing leadership to the personal attributes of the leader (manager). From a complex responsive processes perspective leadership arises in social processes of recognition (Stacey, 2011). It does not matter what leadership attributes one has if no-one recognizes them.

The complex responsive processes approach stays with our experience of interaction and regards ethics as processes of perpetual negotiation. Mead ([1934], 1962) argued that the ethical interpretation of action is to be found in the ongoing recognition of the meanings of actions that could not have been known in advance. The ethical meaning emerges in the interaction itself and is thus being negotiated in the interaction.

According to Stacey (2011, page 395) power is one of those aspects of human activities through which people are continually enabling and constraining each other's actions. In order to go on together, people have to account to each other for what they do. The maintenance of relationships imposes constraints and at the same time relationship enables.

The complex responsive processes perspective encourages us to pay attention to what we are doing and to believe that this is effective in some way, even though we cannot know how. It also means it is impossible for one to escape the responsibility of one's own actions by blaming the cause of what happens to some whole systems outside the direct experience of interaction

Shaw (2002) argues that a leader has to engage personally in an investigation about his or her own actions and behavior in relation to other people. And Groot (2016) emphasizes that the person who has the biggest chance to influence the behavior of the powerful individual is that individual self. Here we see again, as already suggested in chapter 4, the importance of reflection in organizational life. Moen and Ansems (2004) suggests

managers to make time for reflection. In their research, which is based on thirty years of experience, they suggest managers to pay attention to their own actions and emphasize the importance of a personal development plan for managers. The purpose of this suggestion is to make managers aware of the consequences of their actions.

#### 5.3.4. Working in a multi-cultural environment

In this narrative I worked with people from different cultures: me being Dutch, my superior manager who is German, our employer is Japanese and the customer is Belgian (Flemish), who works for a customer located in the United Arab Emirates. The purpose of this paragraph is to identify relevant differences of the cultures I was working with, which might have influenced the local interaction process as described in section 5.2 of this chapter. According to Elias (1996, page 18), the fortunes of a nation become crystallized in institutions which are responsible for ensuring that the most different people of a society acquire the same characteristics. He mentions common language as an immediate example. Geertz (1973) refers to culture as a web of beliefs, norms and values that allow members of a common culture to assign meaning to their own and other's behavior. And according to Brown (1983) a shared culture sets common expectations about the symbolic implications of actions.

Our customer was located in the Flemish part of Belgium. Although the Flemish and Dutch speak the same language, Gerritsen (2014) found a number of cultural differences between the Dutch and Flemish, which may cause communication problems. Among the cultural differences she found, are power distance (Flemish are more hierarchical oriented), uncertainty avoidance, individual interpretation of regulations versus observing regulations, a preference for improvising versus a preference for arranging matters beforehand and compared to the Dutch the Flemish have a preference for a greater personal space.

Hotterbeekx (2016, page 54-55) further found that the Dutch do not find it necessary to hold informal meetings for the purpose of getting acquainted and Germans do not like small talk prior to the start of a meeting. Belgian people however consider it important to first get acquainted with their future business partner.

In chapter 3 (paragraph 3.2.2) I explained that building trust is an important aspect when building business relations. Among Dutch people trust develops based on performance: do we stick to what we agreed upon?

Morris and Pahladsingh (2016) explain that for Japanese people building trust is a long process, which requires many meetings with the purpose to first build a relation from which trust might develop. Only then Japanese people might be prepared to share their thoughts or even personal things. Morris and Phaladsingh (2016) state that extra time and attention is needed for the relational aspects of meetings with Japanese people. They

suggest to take an attitude of respectful curiosity. Here I face a challenge as Hotterbeekx (2016) points to the fact that the Dutch are known for their explicit way of negotiation and I consider myself no exception with regard to this finding.

Hotterbeekx (2016) investigated the relation of culture and language. He states that culture usually succeeds language, since language is merely its vehicle. I consider this relevant for this study, as one's cultural background may influence the interaction process. According to Lewis (2005) the behavior of people from different cultures can be described by clear trends, sequences and traditions. Lewis (2005) performed a study to the way people from different cultures communicate and he attempted to group the differences. His objective with this study was to gain an understanding how to interact with people from different cultures. Lewis (2005) divided cultural communication into three categories (see figure 5.1).

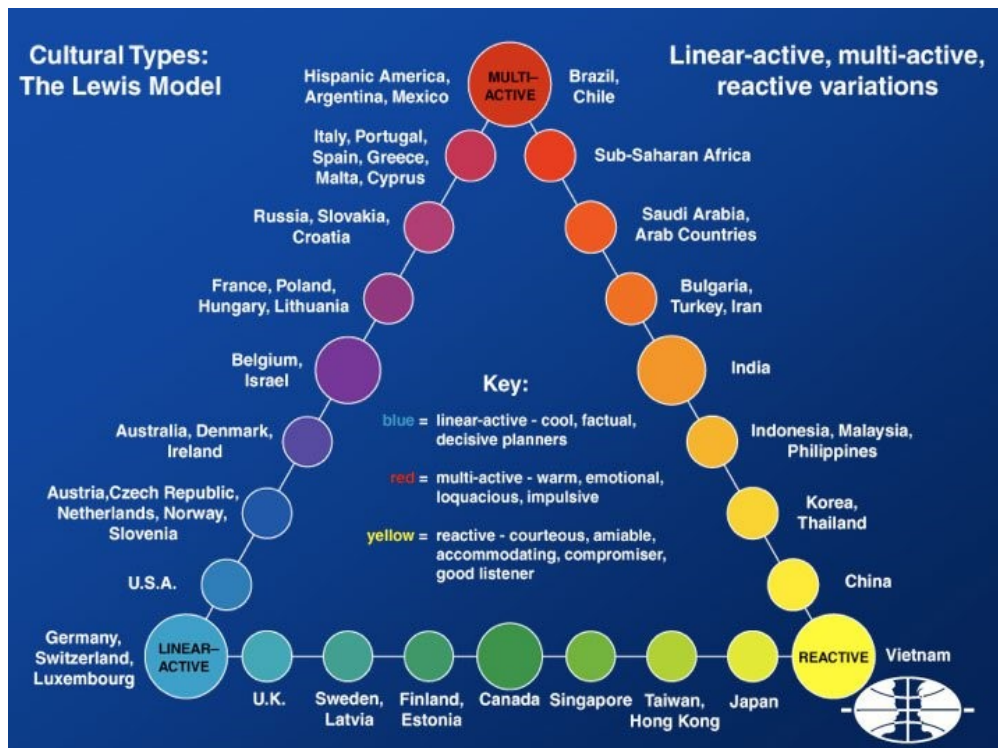


Figure 5.1.: Lewis (2005) model of cultural communication.

Linear actives (see figure 5.1) are those who plan, schedule, organize, pursue actions, do one thing at the time. Germans belong to this category. In addition, according to Elias (1996, page 19) Germans are historically accustomed to a strictly hierarchical order, and hence to an emphasis on inequality between people.

Reactives, like e.g. Japanese, are those cultures that prioritize courtesy and respect, listening quietly and calmly to their interlocutors and reacting carefully to the other side's proposals. According to Morris and Pahladsingh (2016) avoidance of losing face is another important factor for Japanese people. Saying 'no' or 'I do not understand' means losing face in the eyes of a Japanese person. An example is the meeting at the customer with a Japanese specialist, as explained on page 135 of this chapter. He kept giving the same answers when the customer repeated his questions, even after the customer changed the phrasing of the questions.

Multi-actives are those lively, talkative people who do many things at once, not planning their priorities according to a time schedule, but according to the relative thrill or importance that each appointment brings with it. The United Arab Emirates belong to this group.

Morris and Pahladsingh (2016) state that working with different cultures requires specific competences and relationship skills. At times I found communication challenging and puzzling, sensing emotions and observing reactions that often dealt with a deeper level of culture. Despite good intentions, it is difficult for an outsider to communicate at that required deeper level and this led to misunderstanding and frustration. Let me point in this respect to two examples from this narrative. The first one where my superior manager did not take notice of non-verbal signals that the meeting was over (page 139). She started with small talk, whereas the Belgian operational manager signaled he didn't appreciate that, perhaps because of the Belgian desire for a greater personal space as found by Gerritsen (2014). The second example occurred when my superior manager did not understand the explanations of a logistical expert from the customer (page 141). When my superior manager felt not understood, she became angry, instead of taking notice of differences in the language used because of cultural differences. This behavior soured the negotiations.

Looking from a cultural perspective, in Germany it is custom to give one's professional opinion during meetings. For others this might be interpreted as critique. For the Dutch it is regarded to be important and valued, to have an own opinion, whereas for Japanese the interest of the group is more important and consequently in the Japanese culture it is less important to have an own opinion (Morris and Pahladsingh, 2016).



Hotterbeekx (2016) concludes that it is not culture itself that seems to be of influence, but how culture is dealt with. He refers to this as cultural sensitivity and concludes that intercultural communication competence consists of cultural sensitivity and cultural awareness.

I had to learn to be aware of my bias towards people from another culture and try to establish contact with an open mind. An example is when during one of my customer visits together with a Japanese colleague and when we touched the subject of communication. My Japanese colleague, explained me that in Japan people learn to interpret the things that are not said. Literally he told me that in Japan one learns to read air. He explained that the real meaning of a message could be hidden in body language, a silence or a soft moan. From this remark we may understand that Japan is a country with a high context communication.

My Japanese colleague further explained that this implicit communication developed during the *Sakoku* ("closed country") period (1633-1853), when the Japanese people were practically closed off from the rest of the world.

The Dutch on the contrary are known for their direct way of communicating. In The Netherlands we want to understand literally the words that are spoken. This is regarded as a low context communication as opposed to the Japanese.

Many problems that are seemingly caused by intercultural differences have to do with communication issues. The exchange of arguments is the visible part of the communication process. In chapter 4 (paragraph 4.1.1) I referred to Mead's concept on communication and in his view language is not a way to transport meaning but an attempt to give meaning to responses of others on your words in a particular situation.

The fundamental human reality, as assumed in the complex responsive processes perspective, is the interaction between humans. This means that higher order concepts of wholes, such as the social context, the organization, the culture and realities outside of the interacting individuals are assumed to be nothing more than constructs arising in local interaction (Homan, 2016). This narrative showed however how culture conditions meaning through language. We have seen that language describes the boundaries and perspectives of a culture and how this reflects the way social interaction is re-presented within that culture.

## 5.4. Pushing Products or acting Customer Orientated?

### 5.4.1. About customer orientation in this particular Japanese organization

In this paragraph I investigate how this narrative relates to my research question. I find it amazing to notice that if we compare this narrative with the narratives of chapter 3 and 4, we see similar problems. This is an interesting conclusion, because the two companies are in no way related to each other.

The way we served the customer and how we dealt with the questions was different compared to the narratives in chapter 3 and 4. One major difference is that in this narrative there is no co-creation process. The customer looked for an optimal solution to a problem and our company could supply that by offering an appropriate configuration of the product. This narrative demonstrated however the importance of building a business relation, which is confirmed by literature (e.g. Tuominen, Rajala and Möller, 2004). Closely linked to building a business relation we see a finding from chapter 4 confirmed that customer orientation has to do with processes of difficulty of relating.

Earlier in this thesis I referred already a few times to Saarvijärvi, Neilimo and Närvänen (2014), who argue that one of the core characteristics of customer orientation is emphasizing cooperation. Tuominen, Rajala and Möller (2004) focused in their study on relationship learning with the objective to describe the interaction between two organizations. They found that customer intimacy is an important aspect through which superior customer value can be created. Looking from the complex responsive processes perspective, the question whether our customer experienced value can only be answered by reflecting on the patterns of interaction as described in the narrative of this chapter. What we see from the conversational interactions is how people enabled and constrained each other. The acquisition process described in this narrative has more the characteristics of a dogfight instead of a joint effort to win an order. Thanks to our unique product offering we won the order, not because we emphasized on relationship learning as Tuominen, Rajala and Möller (2004) suggested. We see here a similar pattern as I experienced in section 3.3.2 of chapter 3, where the customer selected our company as their supplier, because of our specific technical knowledge in combination that suited the needs of this customer.

The company I work for in this narrative is not depending on a small number of large projects, but serves many customers. However the market conditions are different compared to the situation described in chapter 3 and 4. Although I work again in a technical environment, I explained before that the type of products are considered by our customers as commodity goods. Consequently there is much more competition active on the market where we operate. One should think that the degree of customer orientation must be high in such an environment, because the danger of losing an order or even the

relation is much higher. As explained before in this narrative we were one of the few companies, who could offer a proper solution for this particular customer, that proved to work after an intensive but troublesome prototyping phase.

A question that arises at this point is if my current employer is pursuing a customer-oriented orientation? In chapter 1 (section 1.4) I explained that in literature different orientations can be recognized, among which are: market oriented and production oriented. Our European sales director explained me that our main focus is to acquire production volume so our factories can optimize on efficiency. According to our finance manager our company focusses on ever increasing sales volume and this does not necessarily mean an efficient production, because of the range of products we are offering. Regardless the type of orientation, in both cases customers are needed to realize the strategy.

Weggeman (2007) questions if there is an alternative for working customer oriented? In chapter 3 I referred to Saxe and Weitz (1982), who defined customer orientation as the willingness of individuals to customize their service according to the requirements of a customer. All the strict rules and regulations in this organization, I experienced however as barriers to serve a customer well.

In chapter 3 and 4 we have seen that customer orientation in a technical environment, is not only the task of the people from a commercial department. In the narrative of this chapter the same is valid. One example from this narrative is when I visited our customer with our Japanese application specialist (page 135). During the conversation with the customer I noticed that he lingered in generalities and kept referring to our technical specification sheet. It could be that he did not know the answers and that because of cultural differences he did/could not admit that. In paragraph 5.3.4 I explained that saying 'no' or 'I don't know' in Japanese culture is considered not done. But I also stated before that it might be policy of our company not to provide too much information at an early stage of the acquisition process. This is a different situation compared to what I described in chapter 3 and 4, where the members of the project team both from our organization as well as from the customer had in depth technical conversations and shared information in an open minded way. In chapter 3 and 4 I described a joint development process where we, in our role as supplier, worked closely together with our customer to realize an innovative design. Consequently there was a high degree of interdependency between the customer and our organization.

The question arises if such cooperation means that concessions are allowed to the relation with the customer and consequently the degree of customer orientation of the supplier? In the narratives of chapter 3 and 4, persons from our organization possessed a unique knowledge, which was the main reason the customer was more or less 'doomed' to stay with us. Ofcourse changing supplier was always possible, but in the particular situation as described in chapter 4 (paragraph 4.2.2) and in Steevensz (2016, page 575) a

change of supplier would have been costly for our customer.

In the situation described in the narrative of this chapter, we received the order mainly because of our unique product offering, which left our customer with not much choice and similar to what I described in chapter 3 and 4, a high degree of interdependency between customer and us as supplier emerged.

#### 5.4.2. Alleged advantages of Japanese management

The fact that the influence of Japanese management is so clearly noticeable in this company raises the opportunity to explore the alleged advantages of so-called Japanese management. The advantages of Japanese management were much discussed from the 1980s, but seem to have disappeared these days.

Pascale and Athos (1982) studied important differences between the management techniques used by Japanese and American businesses. They explain that the way a CEO focuses his attention on people, sets the tone for subordinates and thus establishes on operational level desired communication, regarding expectations of how a CEO wants to manage the company.

From the moment I got acquainted with Japanese management of my employer, I associated their behavior and acting with the rare stories of my parents, who were imprisoned in Indonesia during the Second World War. I even noticed a parallel with the situation my parents were in: I was also more or less coerced into this organizational membership as I was in need for employment.

At first sight I experienced a Japanese manager as polite, but at the same time always distant. When however things do not go the way they want, I experienced coercive control, where incentives were mainly negative: never enough customer visits per day; never enough new projects and always complaining about the achieved sales volume. To me it felt as punishments for not carrying out duties conform to the regulations as ordered. Consequently the degree of loyalty and commitment was rather low for me. I have always kept a certain distance (detachment) in this company and never felt involvement the way I experienced that with other employers.

According to Amabile and Kramer (2011) human friendliness is often forgotten in ambitious organizations, because they are so focused on performance. And the management of the organization described in this narrative is ambitious with respect to its growth scenario.

Amabile and Kramer (2011) explain that clear goals, enough time and resources all of which help to do a job well. Their research indicated however that the fundamental role of personal support is often forgotten. They refer to encouragement, connection, friendship, real contact. Amabile and Kramer (2011) argue that a warm social context is essential for creative thinking and to be able to come up with creative solutions. This links to a topic I addressed in chapter 4, where I referred to Shotton (2005) who argues in that we generally

intellectualize difficulties as problems to abstract ourselves out of the real issue, and that is a difficulty of relating.

According to Amabile and Kramer (2011) indifference and discouragement are killing. They think that coercive control in organizations will turn out wrong in the long run, especially in organizations where there is a need for innovation.

While working for this Japanese company I sensed an atmosphere of proudness, which I related first to the strong market position in the home market Japan. Later I experienced during my sales work that the company has a strong brand name. The down side is that I also sensed an attitude that the customer should be grateful we want to deliver our products to him. An example of this attitude of my superior manager, where she refuses to admit the fact that we caused extra cost for our customer and so endangered the order.

In spite of all the rules, regulations and guidelines I began to realize a few months after I started to work for this company, that there is no clear sales strategy. I had to find my own way, much relying on my (old) network of contacts and companies. This I regard strange, because of the strict control as explained in section 5.3.1. With respect to the sales process only the 'measurable' aspects of sales are controlled, such as number of visits per day, number of newly acquired projects and of course the realized sales targets. There are no guidelines nor is there an overall plan how to realize these targets. In other words: there is no qualitative discussion about how to realize the sales targets. In addition, my superior manager often turned down requests for projects, which resulted from my acquisition work. At first this was not so much an issue for me, because perhaps I had to figure out the correct projects for this company. But as time moved on more and more requests were turned down, mostly with the argument that we were not able to meet the demand of the customer. That meant for me that I had to learn to tell 'no' to customers. This is different from my previous working experiences where I learned to keep the dialogue with a customer open to look for compromises.

To investigate the possible alleged advantages of Japanese management further, I refer to the work of Nonaka and Zhu (2012) in which they build further on earlier work: *The Knowledge Creating Company* (Nonaka and Takeuchi, 1995) and *Managing Flow* (Nonaka, Toyama and Hirata, 2008).

Nonaka and Zhu (2012) take in their recent work a pragmatic turn. They draw in their work on pragmatism to be found in the USA (i.e. Peirce, James and Dewey), Europe (notion of phronesis, Foucault and Habermas) and the Far East (Confucius). They regard pragmatic strategies as a result of managers' purposeful and effortful accomplishments against all odds. Nonaka and Zhu (2012) are not setting out to draw attention to how leaders and managers are actually engaging in what is called strategy, but rather how they should be conducting evolving strategic processes. Although they emphasize in their work

uncertainty, the role of managers in controlling by providing deliberate designs remains. This view provided by Nonaka and Zhu does not move all that far from the established (mainstream) literature.

Regarding organizational design Nonaka and Zhu (2012) write about designing emergence and this is confusing me, as according to Stacey (2011) emergence means arising of a pattern in the complete absence of a plan. Emergence is thus the opposite of deliberate design. MacIntosh and MacLean (2001) also concluded that organizational transformation is an emergent process. They developed a model to access and influence this emergent process. Their model is based on the work of Nobel-prize winner Prigogine and colleagues on complexity theory in the field of non-equilibrium thermodynamics and phase transitions (chapter 2, section 2.4). Based on these insights Prigogine and Stengers (1984) began to provide explanations for the generation and development of order in the world. These explanations formed the basis for the approach of MacIntosh and MacLean (2001). They used complexity theory, which led them away from a view of detached observers, towards a role as participants in an unfolding and unpredictable dynamic.

Returning to the work of Pascale and Athos (1982) they refer to the, at that time, popular 7S model of McKinsey. They explain that the core S in the 7S model is the *Superordinate* goal, which are the common values and beliefs that were believed to form the foundation for successful companies. The other elements of the 7S model were: Strategy, Structure, Systems, Style, Staff and Skill.

In my view the annual President's Policy (page 146) is an example of a *Superordinate* goal. My understanding when reading the annual policy of our CEO is that he regards the company as a 'whole' where an employee should identify himself with and that deserves the admiration and approval of the employees. Johannessen (2017, page 67) argues that decisions taken by powerful leaders are unpredictable, have diffuse consequences and will be understood and interpreted very differently, particularly when decisions are detached and not communicated or explained directly in their context.

If I combine however the President's policy with the strict rules and regulations and the behavior of management in this company I notice again, as in chapter 4, an example of Alvesson and Spicer's (2012) concept of functional stupidity. They explain that the described behaviors (e.g. president's policy, rules and regulations, style of management) entail a refusal to use intellectual resources outside a narrow and 'safe' terrain, which may provide a sense of certainty for employees (i.e. communal spirit, as mentioned in paragraph 5.3.4) and contributes to maintaining and strengthening organizational order.

The effect on me is that I experience this particular Japanese organization as cumbersome and immovable. It seems to me that if a customer doesn't want to play the commercial game according to the rules of this company, it is hard to do business together. Such an attitude may work well when selling standard components for industrial

machinery, but not if a company wants to be a supplier in a technical environment, where customers have stringent demands or as described in this narrative, a critical application, namely earth quake protection of valuable art objects. The paradox of the situation is that this company wants to move away from selling standard components. The ambition is to become a reliable partner for customers in the high tech industry by supplying specific know how for challenging questions and projects. One reason for choosing this direction is to move away from selling against competitors, where price is a main driving factor for a customer to decide at which company will be purchased.

According to Vlietland (2015) a hierarchical setup of an organization is aimed at efficiency and stability, which fits a world that develops itself with limited speed. This is contrary to the market dynamics of the technology sector this company is operating in. Vermeulen (2011) explains that when the circumstances for an organization change rapidly, the people working for that organization should also adapt rapidly to the new circumstances. Vlietland (2015) argues that the fast pace at which the technical world develops itself nowadays makes companies producing via hierarchical structures less effective in response to market changes.

At the end of paragraph 5.3.2 I concluded that top management in this organization seems not sensitive for any changing dynamics and is seemingly holding on to proven working methods. In response to the changing market requirements, I noticed a low degree of innovation in this company. New products were mostly a model update. This is a different situation compared to the narratives of chapter 3 and 4, where I was involved in the realization of a technical innovation. Earlier in this chapter I mentioned already the long response time on any technical questions I encountered and the route via which I had to communicate. It is likely to assume that all these processes also slow down the degree of innovation.

Another reason for the low degree of innovation might be the dominant position of this employer among five large companies, in one of the most dynamic sectors of our economy: the technology branch. When five companies dominate a market, there apparently is less pressure to innovate.

The above reasoning links with complexity theory. Referring to the work of MacIntosh and MacLean (2001), I cannot help but to think of their reference to the second law of thermodynamics (*physics*), which states that over time mechanisms run down, losing both energy and internal organization.

#### 5.4.3. Customer Orientation of Managers

This narrative indicated how in an organization, which I experienced as hierarchically organized, with strict working protocols, to what degree a customer oriented approach is achieved. Throughout this thesis we have seen the importance of the role and influence of (senior) management. From managers we have seen however very little orientation on customers, but instead a focus on self-interest, own priorities and propagation of an own management will.

I experienced in this narrative as well as in the narratives of chapter 3 and 4, involvement as well as behavior from managers that I did not regard as a useful contribution with respect to developing a customer oriented attitude. In addition we have seen from this narrative that such non-constructive behavior from leaders and managers goes beyond nationalities, cultures, size and solvency of the company. Literature (e.g. Liao and Subramony, 2008; Stock and Hoyer, 2005) suggests however that managers play a key role in influencing employee attitudes towards customers. Given the apparent importance, influence and the role of managers on the process of customer orientation, I will explore their role more in detail in the next chapter (section 6.4).

Another question which needs further exploration is how come that if I leave out the specific company and project details from this narrative, I recognize similar patterns as described in the narratives of chapters 3 and 4?

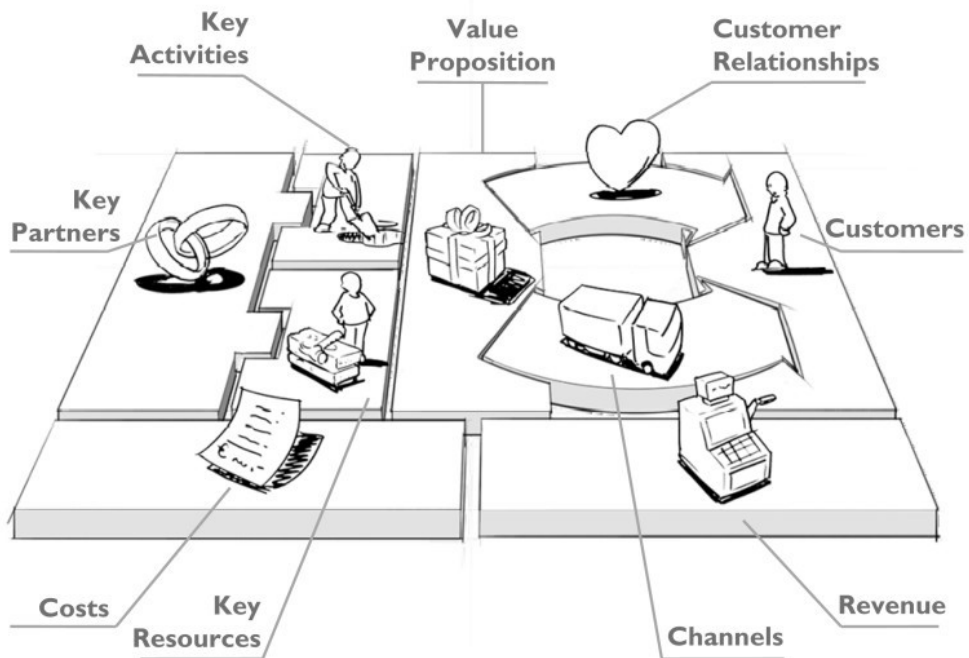
The narrative in this chapter is the final one for this thesis. In section 1.1 I explained that this study follows a program that was originally developed by the University of Hertfordshire (UK) and this program comprises the writing of four narratives, including chapter 1 (see table 1.1). In the next and final chapter of this thesis I will bring together all the various dimensions and insights that emerged from the narratives and look more in detail what this thesis promises in terms of shedding new light on my research question.



# Chapter 6

## Customer Orientation: a Social Rich, Multifaceted and Complex Phenomenon

A reflexive perspective



drawings by JAM

## 6.1. Moving away from my taken for granted assumptions

Far from being exhaustive, this study offers a potential new perspective on what complexity means in terms of practice in organizations when serving customers. It became clear that customer orientation is not just a matter of the people working in a commercial department of an organization. This implies that if customer orientation is part of a company's values, every employee, including managers, should keep asking himself or herself over and over again how their work contributes to excellence in customer relations and revenue. This thesis demonstrates however that daily praxis in technical oriented organizations is very different. Also the importance of a basic principle of the marketing concept, as postulated by Drucker (1954), became clear and that is that the purpose of a business is to create (and keep) customers.

When I started this PhD study I first spent considerable time working on a model of relevant factors with the objective how an organization could adopt a customer-orientated attitude. After about a year working on a conceptual model, I concluded the model became far too complex, as I was including all relevant factors as I experienced them in my work. To make the model suited for research I had to omit parameters thus in my view reducing and idealizing the situation. This was not satisfactory to me and I decided to look for another research path to study the phenomenon customer orientation in organizational life. I looked specifically for ways to stay close to my working experience. I came across literature from Weick (1974, page 487) who advises to study everyday events and everyday questions and Silverman (2013, page 17) who states 'slow down and look around more attentively and identify what is remarkable in everyday life'. Being triggered by this literature I started discussions with prof. dr. Groot, who acquired a doctorate degree at Hertfordshire (UK). At the University of Hertfordshire (UK), prof. dr. Stacey and his associates developed a perspective to study everyday organizational life: the complex responsive processes approach. These discussions inspired me to make a change from the established way of doing research to the complexity group of the Open Universiteit NL (OU-NL). This group followed a program, which was based on experiences of the University of Hertfordshire.

The change to this group felt as if I had to learn a new language. I remember once, when I attended a conference in the UK, which was organized by the university of Hertfordshire. As attendee I had difficulties understanding the group discussions and that gave me an uncomfortable feeling. Somehow the atmosphere felt to me as if I was attending a cult session. During the following learning sets in NL, many times the thought of participating in a therapy session occurred to me. Perhaps these thoughts and feelings arose, because I sensed a tendency to ground concrete actions on philosophical

argumentation and the condemnation and abandonment of systems thinking, as explained by Zhu (2007). I consider myself as a pragmatic person, who is looking for concrete solutions and concrete answers like yes or no, possible or not possible. This belongs to my habitat of being an engineer and my experience of working in sales, where concrete solutions and answers are required.

Despite the troublesome start when I joined the complexity group of the OU-NL, I still find the theory of complex responsive processes an interesting approach. Not at least because I regard the complex responsive processes approach as a unique way to gain insight into a question that kept me busy for quite many years.

At the very beginning of this study I understood my research-theme as a problem of 'implementing' customer orientation. In chapter 3 I came to understand that the central issue mainly is the 'internal' alignment of people from different departments in the organization, where I was working. Further on in chapter 4 I began to understand that the whole process can be characterized by 'processes of difficulty of relating' (Shotter, 2005). And in chapter 5 I found that working in a completely different organizational environment, which is not connected to my previous working environments, I experienced similar issues. This is an important change of insight about my research area, opening up further research into the dynamics and complexities of interaction processes during sales and development processes.

In paragraph 3.3.3 I referred to Gersick's (1988) study about group development. She found that there are transitions or calendar midpoints in projects, where persons are open to influence. My study reached such a calendar mid-point in the autumn of 2012. Because the number of students who followed the complexity track grew, re-scheduling of the small learning groups was necessary. At that moment in time prof. dr. Stig Johannessen and prof. dr. Donald MacLean became my supervisors. They are both involved with complexity and management studies, but are not directly connected to the Hertfordshire program.

They were (and still are) a valuable source of inspiration for me. They pointed me the way to understand the theory of complex responsive processes to investigate the prerequisites and obstacles for a customer-oriented practice. I learned to study how customer orientation emerges in ordinary daily organizational life, where different persons from different departments are working together to fulfill the requirements of a customer and where a customer can have an active role as co-creator.

I also received comments and suggestions how to locate the complex responsive processes approach in a broader academic perspective, as is reflected in chapters 3, 4 and 5, where I made a connection with traditional established management literature. Combined with my experiences when I just joined the complexity group at the OU-NL, this helped me to support and develop a critical stance towards the complex responsive

processes perspective. Locating the complex responsive processes approach in a wider academic context can be considered as a significant strength of this thesis because it helps to address the theme of customer orientation in a more flexible way than just to place it in the black and white discussion of systems thinking versus the complex responsive processes approach. Apparently my approach has been accepted not only by my supervisors, but to a certain extent also to the academic world, while some of my work was published (chapter 2 and chapter 4).

## **6.2. The rigour of this research**

To think about organizations and its individuals as complex is to direct attention to the interrelating, self-organizing, dynamic, emergent and inevitably non-predictable nature of such phenomena (Johannessen and Kuhn, 2012, Volume 1, page xxvi). They state that taking complexity into account challenges many ontological and epistemological assumptions about the world and how humans make sense of it.

A first difference with more traditional types of research concerns the use of a model. Initially I learned that the notion of a model is central to scientific understanding and in the introduction of this chapter I mentioned that initially I wanted to create a model to describe all relevant parameters influencing customer orientation. Paul Cilliers argues that we cannot deal with reality in all its complexity. The problem with models of complexity is that they will be flawed, because of the non-linear nature of many interactions in complex systems (Cilliers, 2001, page 137). Furthermore he explains that because of this non-linearity it is impossible to keep track of causal relationships. Models are supposed to reduce the complexity of the phenomenon to be described. This means we have to leave something out, which is thought unimportant, in order to generate some understanding. Regarding an organization as a complex system, implies we have no way of predicting the importance of that which is not considered or seems unimportant, because we cannot track a clear causal chain of events (Cilliers, 2001).

In chapter 2 I motivated my choice for the theory of complex responsive processes to study the dynamics of customer orientation in technical oriented organizations. I also referred in the same chapter (paragraph 2.6) to other researchers, who consider the relationship between agency and structure and methodological approaches to theorizing practice by connecting action to culture, structure, power and patterns of intersubjective relating, as being key concerns in social theory.

According to Johannessen (2017, page 78) agency is an individual phenomenon emerging in social interaction and the relationship following from meaning emerging in

communication is the basis for coordination, which is organizing. He refers to Mead's ([1934], 1962) idea that people must be able to take the attitude of the generalized other to themselves in order to perform coordinated actions. Stig Johannessen argues that the generalized other is a construction of the mind. He explains that the attitude of the group towards oneself cannot be real in the sense that a person is able to know what attitude everybody takes in a group (Johannessen, 2017, page 76). Furthermore, he argues that the capacity of the individual to take the attitude of the group is sufficient for different persons to be able to adapt so they seem coordinated in similar situations in a larger group such as an organization (Johannessen, 2017, page 78). The complex responsive processes approach as described by Stacey, Griffin and Shaw (2000) treats the coordinating phenomenon of organizing as the capacity of humans to take the attitude of the group to themselves. A sense of the group or organization emerges in the individual as a result of the emergence of meaning in conversations. According to Johannessen (2017) this sense cannot be seen or heard, it also cannot be pointed to. It only exists in the constructed world of a person's mind. Here Johannessen (2017, page 78) makes a link with the work of Mead ([1934], 1962), who argued that mind, self and society are different aspects of the same process: a process of interaction and emergence. This resonates with ideas from complexity theory about interaction and emergence and this is the foundation for social and organizational theory of complexity as explained by Johannessen and Kuhn (2012).

As Stacey, Griffin and Shaw (2000), the founders of the complex responsive processes perspective, gradually became more aware of their paradigmatic starting points, they started to look for concepts that coincided with their starting points and they came up with linking complexity ideas with the work of Mead and Elias. The work of Mead and Elias is to be regarded as sensitizing concepts that most closely resembled the experiences that Stacey, Griffin and Shaw (2000) found in their practices. In all of their work they do however not make a claim that the concepts of Mead and Elias are the best validated for their theory of complex responsive processes.

The preceding discussion means that the concepts of Mead and Elias have a different function than the concepts and theories from traditional (modernistic) mainstream literature. An implicit modernistic assumption is the question of what kind of solutions are being proposed by examining organizations the way I did.

Traditionally the academic community is searching for models, theories and proof by means of which solutions are offered, preferably in the form of a checklist that is applicable to managers in practice. The complex responsive process approach is however not such a generator for solutions. This has to do with the ontological assumptions about what organizations are and what behavior means in an organizational context.

A characteristic of the complex responsive processes approach is that it focuses on what precedes certain behavior. The theory aims at images people have about reality and invites persons to look at their experiences from a completely different-than-usual set of assumptions. This way a person learns to assess his or her experiences in a new and different way, which may lead to new insights for the individual in his or her own particular and unique situation.

To be able to answer the question what makes this kind of research contribute to the academic community, we need to understand more in detail how I performed the research. Although I stated in chapter 2 (section 2.7) that there is not a pre-defined scheme for the kind of research I undertook, looking back now, phases can be recognized. The first phase was a critical self-research to the backgrounds of my own thinking, working method and my background and pre-suppositions, which I described in chapter 1. Next, as a second phase, I made a critical description of a personal work situation in which the findings and learning moments from the first phase are applied and evolved. This is done in chapter 3. In a third phase I presented the narrative to those involved and asked them about their view of the same situation. I also presented the narrative to fellow researchers and my supervisors. The feedback of all these persons lead to insights how different intentions, behavior and actions are perceived by others. The fourth phase is that these insights, comments and suggestions lead to learning moments, which may affect my own thinking about the situation as described and possibly influence my way of working. In the next (fifth) phase I repeat phases three and four to make repeatability plausible, which is done in chapters 4 and 5 respectively. The last phase (6) describes the accountability for my own learning process and the changes in my thinking about the working situations and the influence of this change on my working method.

The question arises where the contribution for the academic community does come about in the learning process described above? A careful and reliable documentation of the learning process may convince academic interested readers, managers, consultants and others to follow the same approach in order to adapt such an effective learning process. According to Zuiderhoudt (2016) the learning process creates conditions under which it will work approximately in the same way for others. Approximately because of the self-organizing nature of such complex dynamics the result will not or hardly be comparable. Therefore the reliability of the description of the learning process is important, especially while there is no possibility of control. A convincing documentation of the first and third phase, where results are presented to e.g. fellow researchers, will make the learning moments explicit. This offers a possibility for control, because a reader can assess the second and fourth phase based on his or her own experiences. The fifth and sixth phase lift the learning process above an incident and make this study suited for a contribution to the academic discourse. The fact that I involved different organizations in

this study makes repeatability more plausible.

Flyvbjerg (2001) argues that explicitly describing the reflections during the research process makes it possible to keep up with the learning process of me as the researcher and to make transparent how changes in understandings evolves in research practices over time.

With the theory of complex responsive processes Stacey, Griffin and Shaw (2000) attempt to make clear that with this perspective, one may possibly discover other and/or additional things when studying phenomena in organizations. The reflections and analysis of the narratives makes it possible to deepen and broaden these findings. The theory of the complex responsive processes is however very general and the theme I studied is very specific. It was therefore mandatory to include other literature in the analysis of my narratives, which is more directly related to my research theme.

#### 6.2.1. About Validity and Reliability

In chapter 2 (paragraph 2.6.3, page 54) I followed Simon (2015, 2017) who argued that the complex responsive processes perspective is in essence an auto-ethnographic approach. The need to seek for different criteria for validity in the type of practitioner research I undertook are well illustrated by the auto-ethnography work of Ellis (1999), who argues that as a form of knowing, the validity of storytelling is best judged by whether it evokes in the reader a feeling that the experience described is authentic, believable and possible. She further argues that the generalizability of the story is best judged by whether it speaks to the reader about his or her own experiences.

The notion of evocation as mentioned by Ellis (1999) finds support from Richardson (2000, page 15), who determines the value of auto-ethnographic work by asking the following questions: "Does the story generate new questions, move me to write, move me to try new research practices or move me to action?" This links to my argument in paragraph 2.7.2, where I explained that validity in the diversification and letting-go perspective as postulated by Sparkes (2001) is to be regarded as a process. According to Johannessen (2013) methods of organizational research are patterns of behavior in which understanding of organizational history and expectations of the future are formed in relations that also take the form of power relations. He argues that social research is always about power, and every researcher is part of a power pattern where the sense of what can or cannot be accounted for and in what way, is an issue of ongoing evaluation. Correa (2013) proposes that issues of evaluation of research are taken out of the epistemological sphere and instead are placed in a sphere of justice. He argues that taking the debate about the evaluation of research into a field of justice implies that it is necessary to acknowledge that the academic world is a political arena, where differences and particular interests can be dealt with.

In the type of research I undertook, the recognition of meaningfulness of the interaction processes between people should lead to an understanding that differences of interest, mistakes and seemingly non-relevant topics are not filtered out, but are a relevant part of the daily organizational life.

Van der Kamp (2000) warns however that with this type of research one has to be careful for a distortion of the truth of the researched. He suggests that a researcher should be able to develop empathy and at the same time also has the ability to maintain an analytical and reflective distance.

According to Groot (2016), different authors offer different views and interpretations on the validity of the different forms of research, as well as on the type of reflective research. Zhu (2007) connects validity of knowledge to the action, more specific to the uncertainties of the outcome, even in the case of repetitive actions. He questions what people will do with what they learned and based on what kind of input or initiative.

The way I collected data and how I paid attention to the considerable amount of varied information during the projects indicates similarities with Grounded Theory (see chapter 2, paragraph 2.6.2). I did however not undertake the systematic comparison approaches associated with this method. Interpretivists and symbolic interactionists researchers studying sense making processes using Grounded Theory, are faced with a fundamental paradox: defining reality as essentially mental and socially constructed, yet seeking to disengage from that experience and objectify it. Allard-Poesi (2005) argues that using the Grounded Theory Approach as sense-making research tends to stagnate and undermine, or even lose sight of, the very conception of sense making it seeks to convey.

In chapter 2 (paragraph 2.6.2) we have also seen that the importance of local sense making in everyday experience is shared with i.e. phenomenology. Ethnomethodology is a phenomenological approach to the interpretation of everyday action and speech in various social contexts. Alvesson and Skoldberg (2009, page 78-82) illustrate that ethnomethodology pays attention to the exploration of how processes of social interaction go on to develop the shared social everyday world and the development of assumptions and rules. Warwick (2010, page 101) explains that ethnomethodology also acknowledges the importance of reflexivity, in recognizing that the researcher and the object of research are influenced and have been influenced by each other.

There is however one important difference with the complex responsive processes perspective. Garfinkel (1967), who introduced ethnomethodology, explains that the method aims to guide research into meaningful social practices and everyday activity as experienced by participants, as opposed to an ongoing exploration and development of understanding with others.



Reliability in this research, is translated into the question if it is likely that the researcher (narrator) could have had these experiences, or formulated from an ethnographic perspective, in other words: if the researcher (narrator) has been there. Validity is translated into the question if it is believable and possible from the perspective of the reader. Generalizability (external validity) is translated into the question whether the research connects to the experiences of the reader (Table 2.1, page 58 and Simon, 2015, page 45).

#### 6.2.2. Narratives as a key element of this study

A key element of the complex responsive processes perspective is the use of narratives as a source of material to engage with. During the entire process of constructing a narrative, I was present in two ways, first as a sales professional whose job it is to achieve a result (orders from customers), second as a researcher, interested to see how things would develop and how interactions between people would turn out. In writing the narratives close to the time that the experience occurred, I was able to catch interwoven connections as they played out. The explicit reflexive nature of the narratives distinguishes this from a literary story (Stacey, 2011, page 489).

What we have seen in the narratives described in chapters 3, 4 and 5 is explained by Llewellyn (1999). She stated that narrative analysis evaluates and configures events rather than merely listing events in a temporal succession. The narratives in the three preceding chapters exhibited instrumental themes, which are inherent to organizational life: accountability, decision-making, control, empowerment, strategic choice and resource allocation.

The complex responsive processes approach offers a technique to managers and leaders to explore what they are really doing and according to Stacey (2012, page 133) the reflections on the narratives are important for the development of practical judgement.

The complex responsive processes approach departs from the radical unpredictability of humans and by that becomes logically bound to a rather modest point of view regarding the possibilities of intentional social or organizational change. The latter can be seen in the way I wrote my narratives. I wrote about my experiences of how we were serving customers. Above all I wrote about my amazement how people react and deal with customer requests.

Looking back to the narratives of chapter 3, 4 and 5, I also realize that I did not come to a particular situation from which I wrote a narrative with a particular theory in mind. Instead the complex responsive processes perspective invited me to fully engage in a kind of sense-making processes with the participants of the organization under study. The material presented in chapters 1, 3, 4 and 5 is only a small reflection of the amount collected.

During the period when I wrote my narratives, there were a number of conversational settings that have shaped my research. Three times a year a so-called residential was organized by the Open Universiteit-NL, where various relevant concepts and ideas were introduced by the faculty. The purpose of these residentials was to support a PhD candidate with his study and to meet other students and exchange information.

Then there were the many conversations with people at work and with customers. I engaged in these conversations either individually or in (small) groups. The information I collected can be considered as the raw material that formed the basis of the narratives as described in chapter 3, 4 and 5.

Another important part of my PhD trajectory were the so-called learning set meetings: 1-day meetings where we discussed in a small group of PhD students together with a supervisor our work. These meetings were for me an opportunity to receive feedback on the depth of reflection and my engagement with literature. During the learning set meetings also attention was given to the style of writing a thesis.

In his work about ethnographic studies, Van Maanen (2006) introduces his concept of 'textcraft' with which he means the hard-intensive labour that represents much of the work done by the researcher that is rarely discussed. He points to how typically 'textcraft' is discussed uncritically, without attention to all the other things that happen and influence one's life. A point that Van Maanen (2006) makes is, and which is relevant for the writing process, is that nothing is isolated. During this PhD-study I mixed working life, family life, reading and a myriad of other "distractions".

The self-reflection, writing and re-writing of the narratives potentially triggered a large number of possible explanations for the experiences described in my narratives. In my role as the researcher I took responsibility for the many interpretations and choices I made, of what could have been and can become possible. As narrator and researcher I am intensively engaged with relevant literature related to my particular narrative account and try to make the ideological underpinnings and power relation implications more explicit. Bourdieu (1986, page 300) offered a warning that I took seriously: 'when one looks back and reminisces it is tempting to focus on events as if they are linear sequences. What becomes lost or is only partially visible are all those choices (forced or voluntary) and their consequences and the choices of others (known or unknown).'

As I explored my experience in the present, with greater awareness of those choices, I could develop an understanding of their interconnections and fluidity. Thus, the emphasis is to give notice to the experience that I am living, but also, as Bourdieu (1986) describes, the challenges and choices that I face that sometimes do, but sometimes do not, make sense and not to shoehorn a number of events into a pre-thought template or hypothesis.

A question is when will a narrative analysis and the corresponding reflections be approved? In chapter 2 (paragraph 2.7.1) I discussed criteria for the type of research I undertook. An important aspect is to answer the question if the narrative is describing a concrete case of experience? Am I writing about what I experienced thought or felt? Did I make a description or make a judgment of my experience? Is it a narrative in the sense of a story opening, built up the tension, unexpected events and plot? During the entire writing process I had to learn to write not as an independent observer, but as a person who was part of a group and the experience itself. I had to learn to write from the perspective of the reader and to balance the amount of relevant literature to include in my narratives, by questioning over and over again whether or not a specific theme or topic is relevant for my thesis. This process continued until I considered the level of detail in both the narrative and theoretical dimension rich enough to submit a version to my supervisors and fellow researchers from the learning set. If I look back at this process, I experienced for example that the writing process of the narrative for chapter 4 went smoother compared to chapter 3 and consequently there was more room for emphasis on reflecting on the narrative.

A question posed by prof. Homan during discussions with fellow researchers is if we did share the feeling that we addressed all important themes that emerged in the narratives? From personal discussions with prof. Homan I learned that assessing a narrative is besides looking at criteria, also a matter of gut feeling. He suggests to look if there is sufficient depth in the narrative and if it delivers new and interesting insights. Unfortunately I am somewhat disappointed with the group process in the learning set I was part of. Although I appreciated the discussions with fellow researchers during the learning sets, my work was often not read by them, so I was mainly depending on the comments and suggestions of my supervisors.

I used the criteria as described in paragraph 2.7.1 as guidelines for the narratives in chapter 3, 4 and 5. In my view it is up to the reader of this study to make a judgement to what extend I succeeded to fulfill these criteria.

### **6.3. Movement of Thought**

The primary objective of this study is reflected in the research question: *Why is it so difficult to develop and uphold a customer-oriented practice in technical oriented organizations and what is needed to consider the position of the customer more important in the work we do?*

If I had taken a more traditional academic research approach, I would have postulated my research question and motivated the way in which I want to explore the research

question and by now I would present and discuss the results. The core of reflection is however to also look backward and ask questions like: what have I really been exploring? What drove me to them? How did I discover certain items and what have I done to make sense of them? These questions will be explored in this section.

Chapter 1, specifically section 1.6 can be regarded as the foundation of this thesis. I explained how I became intrigued by attempts of managers of a large company to make employees more customer oriented through a rational (traditional) change process, in which I played an active role.

The organization where this took place was the research division of a large (Dutch) company. This research organization was a sanctuary where the scientists' elite could work out their ideas in peace and quiet and that has produced some great inventions.

What I noticed when I wrote down my experiences as mentioned in chapter 1, is the lack of reflection after problems occurred. Problems were 'solved' or discussed by organizing more meetings. An often-used expression of research colleagues during such meetings was: 'is this a management decision or do we have to think about it?'

In the introduction of chapter 1, I mentioned that I experienced different departments as fortresses in an organization, where each fortress seems to have its own objectives. Further in the same chapter I linked this observation with the Homan's (2006) idea of islands in an organization and his metaphor of petri dishes.

In their book about the research organization where I worked when I wrote section 1.6, Van Gerwen and Raaijmakers (2016) describe the main problem as the interaction between researchers and the rest of the organization. The main topic of the succeeding narratives in chapters 3, 4 and 5 was exactly to investigate the interaction processes between people working at different departments in an organization, all with a common objective to serve customers. From the narratives in chapters 3, 4 and 5 other relevant themes emerged, like organizational change (as it is happening 'real time'), (technical) innovation and the role of management. In this and the following sections these topics will be addressed as well.

#### 6.3.1. Discovering a gold nugget

Chapter 3 and 4 describe a case of the acquisition and realization of a technical (innovation) project. In chapter 3 I described how I as a person belonging to the sales department and people from the product development department worked closely together to present a winning project proposal and how a working relation emerged between our company and the customer during the first realization phases of this project. The challenge we faced was that our company first had to develop a complicated product, after which we had to produce this product in a certain volume per year. For our company

this was the first time we realized a project of such importance and with such a potential volume. Acquiring and realizing the kind of project as described in chapters 3 and 4 was new for the organization I worked for at that time. Before that we were mainly selling optical components. As explained at the beginning of chapter 3, developing products based on a customer specification was part of the company's new strategy of service differentiation.

For our customer it was also the first time he outsourced a design for manufacturing. So, both our customer and we as supplier started a joint journey of discovery. Except for some general guidelines and ideas there was no blueprint for implementation of this new strategy.

Following a strategy of service differentiation meant a change as described by Terho et al. (2015). They argue that sales is changing from a tactical activity of implementing marketing strategies towards more analytical and senior-management focused aspects of selling that can be associated with the fact that business-to-business firms are shifting from a goods dominant logic to a service dominant logic in which these firms emphasize high valued offerings (e.g. complex services, integrated solutions) and a value co-creation. Grönroos (2012, page 1526) conceptualizes value co-creation as 'joint collaborative activities by parties involved in direct interactions, aiming to contribute to the value that emerges for one or both parties'. This conceptualization is in line with earlier work by Prahalad and Ramaswamy (2000). Neghina (2016) states that while value is the ultimate outcome and goal of the interaction, it is realized via the output of interactions, namely the service that is being exchanged among interacting actors.

Chapter 3 described how the order for this project and the results of the first product development stages (called feasibility phase) emerged through studying local interactions between the persons involved in this project. In chapter 2, section 2.4 I explained that emergence is a key concept in complexity science.

During the process of acquiring the order we listened carefully to the customers' demands, which can be characterized as dialogical and collaborative work in progress. This way of working implied shared learning and communication between two equal problem solvers as explained by Prahalad and Ramaswamy (2000).

Incorporating customer focus into the firm's business strategy, as suggested by Narver and Slater (1990), includes understanding customer needs and using this data to develop innovative products as well as increasing customers' involvement early in the product design process. Although managers did not mention it explicitly, we were in the middle of a change process, from a product-oriented sales orientation to a customer oriented. Consequently chapter 3 described the dynamics of this change process.

When we were in the process of acquiring the order for the project as described in chapter 3, nobody spoke about customer orientation. Nevertheless the requirements of the customer were central in defining the proposal and solution and all persons involved contributed to their best efforts allowing us to acquire this project. This is a fundamental different situation compared to the planned change I described in chapter 1, section 1.6. According to Terho et al. (2015) customer-oriented salespeople play a critical role in building close, long-term customer relationships, where the dominant question is the (co) creation of value.

Saxe and Weitz (1982) defined customer orientation as implementing the marketing concept at the level of an individual salesperson, to help customers make purchasing decisions that will satisfy their needs and generate long-term satisfaction. As a salesperson's customer orientation increases, he or she places higher importance on working in customers' best interests and identifying offerings that suit their needs.

During the co-creation process as described in chapter 3, members of the project team were also in contact with (technical) people working for our customer. Through their interactions the people from the project team influenced the value creation process. Furthermore I also looked at literature from the topic 'service climate', which studies the determinants of customer-oriented behavior of service providers in an affective, high contact service setting. The literature overview in the narrative of chapter 3 made clear that customer orientation is a broad claim that concerns all people involved from different departments of an organization. To deliver a more impactful dimension to an academic discussion about the complex responsive processes approach and established literature about customer orientation, I created a table (chapter 3, table 3.1) with a comparison and critique of ideas and implications of the established literature versus the complex responsive processes perspective.

A conclusion at the end of chapter 3 is that I started to discover that the sales- and co-creation process I was involved in, is not purely about selling and implementing a concrete solution (product), but about embarking on a common journey of discovery. During this journey employees and managers of both the client-organization and the supplier-organization continuously developed and negotiated new ideas about the product. We have seen that acquiring an order as described in chapter 3 is not a linear process. My conclusion is that I touched upon a gold nugget for this thesis with the acquisition of this project. It offered me an excellent opportunity to study the interaction and negotiation dynamic as complex responsive processes of relating, as this theory seeks to explain what people in organizations are actually doing.

### 6.3.2. Dealing with an unsatisfied customer - a recurring experience

Although the results of the project team as described in chapter 3 indicated innovative conceptual designs and confirmed that we succeeded in providing value for our customer, one topic emerged however, which caused the project to stagnate in the next phase. During the feasibility study (chapter 3, paragraph 3.3.2), I noticed that the members of our project team shifted their attention to their own superior technical solutions, and by doing so they started to ignore the initial demands of our customer. These were weak signals and although I noticed this already in the narrative of chapter 3, I ignored these signals at that time. Perhaps because the result of this project phase was satisfying for our customer and my main goal as a sales person at that moment in time was one where the result counts and not so much how it was achieved.

In chapter 4 the development project advanced to the engineering phase, an important phase where the first proof-of-concepts (engineering samples) are to be built. In this phase of the development project, the theoretical design meets praxis. As happened so many times during my career and also in this phase of the project we were not able to meet up with the demands of our customer.

We reached a point where the customer was totally unsatisfied and threatened to stop the project, because the development cost and the estimated product price did not meet the expectations of our customer. At the moment when the customer signaled his dissatisfaction, all our interdependent actions were interrupted and the participants had to determine many things at the same time. The customer took however control over the situation and helped (himself) by forcing us to come up with a solution.

The project described in chapter 3 and 4 was by far the largest project ever acquired for our company. In addition, the type of service we offered was new for our organization. Because many things were new and yet unknown, there was substantial risk of failure. Considering these I'd like to look at this project as a megaproject and refer to the work of Flyvbjerg, Bruzelius and Rothengatter (2003) who studied the anatomy of megaprojects.

We started this project by considering various technical alternatives for concrete solutions (see chapter 3, paragraph 3.3.3). Flyvbjerg, Bruzelius and Rothengatter (2003) suggest however to use a performance specification in a feasibility phase of projects, where all requirements, to the extent possible, are to be decided prior to considering various technical alternatives. It is indeed possible that this was one of the reasons our customer became unsatisfied. But then it is hard to make a checklist for things you never experienced. It is almost certain that something will happen one never thought of. The question if it is important to be prepared for the unexpected to happen, is a social question and not a technical one.

Buur and Larsen (2010) argue that behind such thinking, as e.g. from Flyvbjerg, Bruzelius and Rothengatter (2003), a view can be recognized that organizations are systems. In this way of understanding organizations as a system, there must be a goal to

achieve. Following Flyvbjerg, Bruzelius and Rothengatter (2003) at the start of our development project our goal should have been a document, in which we described the specification of the desired product for our customer. Buur and Larsen (2010) observed in their study however that the discussion about goals cannot be resolved before a project begins.

Stacey (2011) observes that as a consequence of this systems view, one must ascribe management with the ability to step outside the system to define a goal that can serve as a common goal for the system. According to Stacey (2011) this belief in a shared goal is a fantasy, as he considers it also a fantasy that anyone can step outside the system for a moment and act as if he or she is free of interdependencies from others. From the complex responsive processes perspective participation means no more than to join in the ongoing local interaction of conversations. It is in these ongoing conversations that new meaning emerges, which becomes shared among enough people to create a difference. Stacey (1995) states that what is truly new is not already in the past or present and therefore cannot be predicted. He explains that creativity is associated with the endless variety of behavior arising. From this endless variety of behavior arising spontaneously during interactions, entities are being formed, from which novelty and creativity will emerge (Stacey, 2010).

In section 4.2.2 of chapter 4 I wondered what happened to customer orientation of our organization in this project. Our customer reacted furious on a quotation we sent and demanded a meeting, where he threatened to stop the project. Oeij (2017) explains in his thesis that there are many reasons why projects and innovations fail or succeed, and he refers in his thesis to several overviews of possible factors. One of his references caught my attention: Shenhar and Dvir (2007), who argue that people believe projects fail due to poor planning, a lack of communication, or inadequate resources, however they also found evidence which suggests that failure is occurring in well-managed projects run by experienced (project) managers. In the case of chapter 4 our project manager and his team members were experienced professionals.

Oeij (2017) further argues that project success demands an adaptive approach to adjust the project to the environment, the task, and the goal. Being able to adjust a project requires a shift of attention from only the 'hard factors' to also 'soft factors'. With 'hard factors' he means e.g. the project management's iron triangle - the triple constraint of the criteria to complete the project on time, within budget and within performance goals or requirements. In the view of Oeij (2017) 'soft factors' are behavior, leadership, skills and communication. In this thesis emphasis is placed on these 'soft factors'.

Buur and Larsen (2010) state that behind this kind of thinking lies the idealistic assumption that innovation is born in consensus (or in a controlled environment), where intentions that diverge from a common objective (goal) need to be suppressed. In their view



innovation is the emergence of novelty that comes about in local interactions between people with different intentions. These local interactions among humans are processes of relating in which we continuously respond to each other. In the narrative of chapter 3 and 4, we as supplier and our customer met each other with different intentions, which created a complexity that none of us could see.

In line with the above reasoning Johannessen and Aasen (2007) also argue that the nature of innovation is communicative interaction. In their view innovation may be perceived as a self-organizing emergent and irreversible process. This process creates novel structures or patterns of meaning. They state it is of greater interest to study how such patterns emerge, rather than to reduce and simplify innovation processes into simple categories and individual factors.

In chapter 4 we have seen that the consensus of how the final product for our customer would have to be designed by us, emerged from the conversations and interdependent actions between our customer and the members of our project team. The meaning we gave to the product specifications became our strategy for developing the product. Our particularization of the end product differed however from that of our customer. After a troublesome meeting with the customer we became aware that our focus was too much on the design of a technical superior solution, forgetting the initial price demands. The latter was an important specification item for our customer.

Our project manager and his team members were responsible for the technical design of the product and consequently our project manager was the only person who had a complete overview of all technical details of the design. Until the moment our customer intervened, we were convinced that we were on the right track with our project. However no one from our organization, including myself verified this with our customer. In chapter 4 (paragraph 4.2.2) I argued this was due to a lack of requiring justifications and a lack of substantive reasoning from our side. Based on the information from our project manager no one in our organization questioned the technical solutions, which were proposed, except our Vice-President Technology. His questions were however greatly left unanswered by our project manager and his team members. Here we see an example of the rhetorical nature of conversation as explained by Shotter (2005). People use, even without being aware of it, conversational (rhetorical) devices to dismiss the opinions of others and thus close down the development of a conversation in an exploratory direction. Groot (2016) explains this all resonates strongly with the position of the powerful individual. In an organization people depend on each other and this interdependency will always lead to new and sometimes unexpected outcomes, especially when people with power try to isolate their performance and decisions.

The question I postulated in chapter 4 is how people, including myself, become aware of a lack of requiring justifications and a lack of substantive reasoning. Alvesson and Spicer (2012) suggest that managers must be willing to inject some aspects of critical thinking

and reflection into organizational life. Groot (2016) explains that critical situations have a better chance for positive change when the powerful individual starts to understand his or her role in the social process the powerful individual is part of. The situation that occurred in chapter 4, where our customer indicated his dissatisfaction in a clear way, is in my view such a critical situation Groot (2016) refers to.

In Shaw's (2002) view a facilitator (e.g. manager, consultant) should be seen as a participant in line with others. She suggests the metaphor of improvising ensembles as a better way of seeing collaboration between people. This can also be enabling, as it can bring new perspectives. Larsen (2005) argues that the facilitator's ability to be reflexive about his or her own contribution is important and Buur and Larsen (2010) found in their study about quality of conversations that facilitation should be exercised within the circle of participation, rather than from 'outside'.

Although the introduction of reflection in organizational life might be an utopian thought, Weggeman (2007) also argues that for knowledge intensive firms, strategy is more and more reflecting on what has been done, with the purpose to discover patterns that might emerge to strategies. In chapter 5 (paragraph 5.3.3) I referred to Moen and Ansems (2004) who also suggest managers to make time for reflection, to make managers aware of the consequences of their actions. From my working experience as a sales person, I know that team reflection is common practice in aerospace and healthcare organizations.

Returning now to the narrative in chapter 4: After our customer signaled his dissatisfaction, it took us several months to restore the relation with our customer and we gained trust again by doing what the customer requested.

Buur and Larsen (2010) argue that conflicts are seen as driving forces of change that can open new possibilities. They regard innovation as the emergence of novelty that comes about in local interactions between people with different intentions. Tsoukas (2009) also regards dialogue as an important mechanism through which change and new knowledge emerges. He states however that the process through which dialogue gives rise to new knowledge is greatly left unspecified.

In chapter 4 (paragraph 4.4.1) I referred to Shotter (2005) who points to a problem, which is that we generally intellectualize difficulties as problems to abstract ourselves out of the real issue, and that is the difficulty of relating. I postulated two questions: (1). When relational engagement prevails and managers share common experiences with recognizable responses, instead of giving prescriptions, how will this happen? And (2) how do the power relations than affect dialogues individuals engage in? Based on the complex responsive processes of relating Buur and Larsen (2010, p.136)<sup>3</sup> found how new meaning

---

<sup>3</sup> Buur, Larsen (2010) deliberately left out managers for their study. Because of their influence on the project I did not do that.

and new ideas emerge through what they named crossing intentions. With 'intention' they refer to Mead's ([1934], 1962) 'effort to evoke certain response in other actors'. Buur and Larsen (2010) use 'crossing' in the double sense that different intentions can sometimes surface in ways that are seemingly unrelated and at other times may come into open conflict. They found that conversations might lead to innovations when crossing intentions are allowed to surface and are accepted as such as a quality in itself. It is uncomfortable when it happens and it contradicts that change only happens in consensus. New themes emerge in the interactions between crossing intentions. Buur and Larsen (2010) note that some participants may feel anxious about the direction a conversation is taking, but they also state that anxiety and change are closely interlinked. The emergence of concepts that resonate with the participants' own experiences may drive innovation.

Another quality of conversations Buur and Larsen (2010) found is spontaneity that allows participants to imagine new roles for themselves or others. Allowing oneself to be moved by others, even in unpredictable directions and in that process seeing that others change too. As mentioned before, Buur and Larsen (2010) suggest that the on-going discussion and readjustment of goals strengthens the conversation towards innovative outcomes. During the course of the product development, our project manager had regular informal with the engineers of our customer. It was during these informal contacts that the product specification was defined and adapted, outside any formal organizational setting.

In chapter 3 and 4 we have seen two joint problem solvers (customer and supplier) went together on a road of discovery to co-create a new product and this can be considered as an innovation project as I explained in chapter 3 (paragraph 3.4.4). Successfully applying new technology and knowledge requires the cooperation of humans, as this thesis demonstrated. Verhoeff (2011) studied a concept named social innovation from a traditional perspective and he concluded that social innovation is a necessary condition for successful technical innovation. In the context of the study of Verhoeff (2011) social innovation means investing in leadership development, new skills of employees and better cooperation, both internally and with partners and customers, with the objective to recognize, share and use new technology and new knowledge faster and better, which then might lead to new applications both within the company as well as in new products and services that generate money in the market. We have seen however in chapter 1 and 4 that technical professionals are not or little sensitive for the financial economic consequences of their work. This finding follows an argument of Weggeman (2007) who states that technical professionals realize too little that the only one place where the money for a company is earned, is where supplier and customer meet.

The study of Verhoeff (2011) illustrates that not all aspects of social innovation are fully understood, which he thinks is due to the irrational nature of innovation.

This study made however clear that it is the social interaction processes of all people involved in an innovation project that is unpredictable. Throughout the development of the new product, we have seen that disorder is not simply the result of inertia, incompetence or ignorance. According to Stacey (1995) it is a fundamental property of creative environments and it plays a vital role in that creativity.

In chapter 4 I experienced the fallbacks, failures, messiness and different hierarchical priorities during the realization process of an order. Our customer had figured out that it was them who wanted to be our customer, however not at every price. And this is exactly what I have been experiencing during my long career as a sales person, as I explained in chapter 1. In chapter 4 it became clear that this co-creation project for our customer should be understood in terms of participative action, involving people, technology and resources and not only in terms of a plan with the proper resources.

#### 6.3.3. Acting as a boundary spanner

After chapter 4 I continued my research in a different organizational environment, which was in no way connected to the organizations I worked for before and this offered me an opportunity for comparison. In the narrative of chapter 5, I described my experiences based on one of the first commercial results I realized for this new employer.

There is one major difference between this new employer compared with my previous employers. In the working environment of the narrative of chapter 5, the communication with the customer is centralized in local sales offices. This physical distance with the supply chain (engineering, logistics, production) is much greater than in my previous working experiences. In the narratives of chapter 3 and 4 I worked for a company where engineering, the supply chain and the commercial department were situated on one location. With a size of around a hundred employees, it was easy for me to contact relevant persons from different departments to discuss matters. In the current situation the closest factory is approximately 600 km away from the sales office where I am located. Set aside the fact that my new employer is Japanese, which for me posed a challenge with respect to communicating with each other.

As both the communication with customers and with other departments in the organization is centralized in a local sales office, it became clear that I work as an organizational interface, crossing boundaries between the customer and the rest of the organization. The communication with other departments in this organization is subject to strictly formalized institutions as explained in chapter 5, paragraph 5.3.2. According to Brown (1983) organizational interfaces bring together organizations and different departments in organizations, whose goals and assumptions may be very diverse, though they depend on each other. He argues that it is important to study conflicts at organizational interfaces because authority, responsibility and appropriate behavior are

often unclear at an organizational interface, while at the same time the interdependence between organizations and within departments in an organization is increasing. In the introduction of this thesis (chapter 1, page 10) I mentioned that I experience different departments often as fortresses in an organization and many times I wondered how it can possibly help a company for departments to erect fortresses or barriers and see success as relative, related to a department, instead of for the good of the entire company? Here I see a role for managers, who should pay attention to ensure that they are not creating fortresses or barriers within the company that create an us versus them mentality or impede communication in any way. In my view managers are able to set the example, e.g. by looking beyond individual achievements. Fortresses or barriers between different departments in an organization seem to me unfortunately a natural tendency, so I will limit myself here to describe how I dealt with this in the Japanese company I worked.

Studies about working on organizational interfaces or an organizational boundary are in (traditional) literature described under the theme boundary spanning. Aldrich and Herker (1977) define boundary spanning as including both a representational element (e.g. being an advocate of the company and the company's goods and services) and an informational element, with clearly some overlap between the two elements. Boundary spanning is an informal process of exploration, discovery and understanding of people and the organizations they represent. The information that a boundary spanner collects is important to discover potential common areas of interest and mutual dependencies. Boundary spanners are aware that they often have no hierarchical control and that decision-making is based on consensus, equality and win-win situations. This means that sometimes a boundary spanner is leading, sometimes facilitating. Boundary spanning is a process driven by goals that the individual boundary spanner wants to achieve.

Agency theory (Chapter 2, section 2.5) emphasizes that individuals have the capacity to take actions and that the focus should be on people instead of the structures. Individual actions take however place in the context of an organization and the structure, rules, guidelines and procedures determine both the capacity and the strategies to achieve the goals of an individual. In chapter 2 I referred to Giddens' (1984) structuration theory, which states that structure and agency mutually influence each other

Through my position in the company I was a customer relation ambassador between the different departments of the company I worked for and as such I had a role as boundary spanner. Alexander, Teller and Roggeveen (2016) performed a study where they focused on the informational and representational activities of boundary-spanning relationships. They revealed the importance of the informational aspect as input to management decisions and as messenger to the customer. At the same time Brown (1983) regards culture also as an interface with possible conflicts. He states that different cultural assumptions may result in misunderstandings and communication problems that in the extreme can produce what Brown (1983) calls a 'culture shock'. In his view individuals in

culture shock are unable to understand the cultural context that surrounds them, and they may become unable to act. A possible example of this can be found in chapter 5 (page 135), where I described the situation that our Japanese application specialist kept lingering in generalities, after questions from our customer.

In my role as a boundary spanner, combined with the cultural differences, which were latent in the narrative of chapter 5, communication became a challenge for me. I learned that I had to be critical to myself about how I explained topics in messages to my Japanese colleagues. Vice versa I also had to 'decode' received messages, to be able to explain its contents to our customer.

To me it seems as if my Japanese colleagues and managers somehow seem to interact in a completely different way, as I am used to. Although I often saw them trying to do their best, in case communication got stuck, they always referred to the company's rules and regulations and this complicated or even blocked communicative interaction with a customer. Here we see again an example of a phenomenon found by Alvesson and Spicer (2012). When managers put a strong emphasis on positive understanding of organizational practices through uplifting messages and encourage employees' adherence to certain beliefs and practices and at the same time discourage critical thinking about them, managers block communicative interaction.

More than once the thought crossed my mind that the Japanese colleagues suffer from a lack of empathy to imagine the situation at a customer. They were always polite and friendly to a customer, but their answers often lacked any concrete solutions for the customers I was serving. In my role as boundary spanner I considered it however as my task to enhance the customer's experience with our company, by offering concrete solution thus creating value in the perception of our customers.

In the context of organizational interfaces, Brown (1983) suggests it is relevant to ask the question: how does an individual exist as an insider and outsider, when working separated from a group, but as part of the same organization? This question looks similar to the work of Elias and Scotson (1994) who studied the dynamics of inclusion and exclusion in groups. In my role as a boundary spanner, situated at a local sales office, not being Japanese and with all my good intentions to serve a customer well, I maneuvered myself to an outsider position. I was not adapting myself to the strong 'we' identities of my Japanese colleagues, who did not question the rules and regulations as defined by their management.

Chapter 5 also gave insight into the interactions when people from different cultures are involved in a buying and selling cycle. Despite the fact that we were all sharing a similar technical background, the narrative indicated how culture conditions meaning through language. This is different from what Pieterse (2014) found in his study to the discourse of professional cultures. He concluded that converging patterns arose between

groups of professionals with a similar background. Although Pieterse (2014) referred to the work of Stacey c.s., he performed his study by using interview techniques and as such he was not studying specifically the local interactions between people involved in a project and this differs from the perspective I took.

Working for this particular Japanese company I experienced some more differences compared to my previous (European) working environments. First there is a difference in the way I have to make the monthly reports. The reporting structure is done in such a way that I have to reflect on the results of my work, e.g. I have to answer question like: what did I want to achieve, what went well, what needs improvement. Both in chapter 1 as well as in chapter 4 I commented the lack of reflection after things with a customer went not as planned. It is therefore interesting to investigate if these 'forced' reflective questions had any effect on my working behavior. In the beginning I took the reflective questions seriously and consequently I spent time for reflection. During meetings with persons from other local sales offices in Europe, I learned however that when the answers on the reflective questions did not suit management, their reaction was coercive. Instead of an open discussion, from we could learn from each other and improve, all sales persons were giving 'political correct answers', to avoid coercive reactions from management. Consequently management got the impression that there were no problems at the local sales offices throughout Europe. Here we see again a phenomenon I referred to at the end of chapter 4, as explained by Shotter (2005). He argues that we generally intellectualize difficulties as problems to abstract ourselves out of the real issue, and that is a difficulty of relating (in this case with Japanese management).

Regardless the intentions of the reflective questions, there was hardly any effect at all and this is contrary to what I have been suggesting about reflection before in this chapter. In my view and as intended in this study, the term reflection in a company is described best by Shaw (2002), who states that we may understand ourselves as engaged in the co-created, open ended, never complete activity of jointly constructing a future, as emerging courses of action that make sense of keeping on working together.

Another difference I experienced compared to other employers is that for the entire organization, managers defined clear targets for the different departments in the organization and expects that each person realize these targets. How I am going to achieve the targets is my responsibility, as I explained in chapter 5 (paragraph 5.4.2). This implies that for a greater part I am able to define my own way how to realize my, target, allowing me to take into account the local situational context for the countries I am responsible. Despite all measurable key performance indicators such as number of visits per day and budget to achieve, I experienced however a lack of directions and support to develop a sales strategy, which enabled me to realize my targets. What I understand as a

sales strategy is e.g. a description of the unique selling propositions for customers in pre-defined target markets, or the characteristics of new potential market segments. All this is not part of the targets I have to realize.

A third difference with previous employers is the strictly formalized ways of communication with other departments. Vermeulen (2011) explains that managers and employees need a certain degree of structure to work, thus institutions are to a certain extent required in order to work effectively and efficiently. I question however if the institutions in this company are such that employees have not enough free room for own judgements and corresponding flexibility to solve customer requests.

Except for the presence of these strong institutions, where one has to get used to in order to survive in this organization, I experienced the way this organization is managed as pragmatic. I base this conclusion on the rare contact moments with senior management. These encounters were mainly about immediate problems with customers, often related to technical and/or delivery issues, which I could not solve alone from my position. This seems paradoxical, because I experienced management in this company formal, at a distance and not easily accessible. Thus I had the impression that they do not know what is happening on operational level of the organization.

In paragraph 5.4.2, where I discussed the alleged advantages of Japanese management, I referred to Nonaka and Zhu (2012, page 25) and their work about pragmatic strategy. They state that 'pragmatism is a bias for action with focus and energy, a willingness to make-do without knowing how things might unfold, a habit that looks at situated particulars rather than generalized principles, an orientation that seeks knowledge based on the consequences of acting upon it'. According to his definition of pragmatism, also the company from chapter 3 and 4 can be considered pragmatic. During our journey to establish a co-creation relation, there existed an idea, but there was no blue-print (plan) with pre-defined steps to realize this.

With their view of pragmatism Nonaka and Zhu (2012) recognize organizational life as never ending change and its fundamental uncertainty, arguing that the future is not determined but made by what we do. This reasoning follows Stacey (2010), who stated that the future of an organization is constructed in the present, in the ordinary, everyday activities of interacting with each other.

The pragmatic way of thinking as proposed by Nonaka and Zhu (2012) can inspire leaders to stay close to the daily practice and the people. De Man (2011) follows this reasoning and states that thinking in a utopian way, distracts from the dynamics of the daily practice. He argues that solutions are not to be found outside the world where we are interacting, but inside the social interaction processes. He argues that the behavior of persons is the result of social interactions and at the same time people form relationships. This resonates with generalization of the particular of which Mead ([1934], 1962) is talking about and confirms the usefulness of the type of study I undertook.



A difference between the companies I have worked for during the writing of chapter 3 and 4 and the Japanese organization I worked for in chapter 5, is the financial health situation of the company. Apparently, a good or bad financial situation seems to have no influence for the way customers are served by the employees of an organization. There was no notion to put the customer first as the marketing concept (chapter 1, page 12) is suggesting. But despite all problems, customers did not withdraw their order, mainly because of the high degree of interdependency between supplier and customer.

Despite the fact that this organization has no connections with previous organizations I worked for, we have seen in the narrative of chapter 5 similar issues regarding customer orientation as in chapters 3 and 4.

#### 6.3.4. Customer Orientation a Cult Value?

In chapter 2 (section 2.2) I explained that I regarded a study from Gummesson, Kuusela and Närvänen (2014) important for this thesis, because their study suggests a move towards a more practitioner oriented research of customer orientation and to focus on all stakeholders. They state that by focusing on research, it is easy to forget that most of the information about customers and competitors comes from the experience acquired in the course of the everyday work of salespeople, marketing people, project managers and the like. It may not be in the academic sense but the information is rich and reveals information that cannot easily be elicited from statistics, surveys and interviews.

In that same section of chapter 2 I also referred to Saarijärvi, Neilimo and Närvänen (2014), who noticed a shift from measuring the antecedents of customer orientation and impact on company performance, towards a better understanding how customer orientation is established in organizations. In this paragraph I further explore this statement in relation to my research.

Taking the complex responsive processes approach to study customer orientation focuses on the investigation of patterns of interaction of all people involved who are serving customers. This way all stakeholders are included, as suggested by Gummesson, Kuusela and Närvänen (2014).

In chapter 4 (paragraph 4.1.1) I drew on Mead ([1934], 1962) to point that patterns of communication take the form of social objects. With his concept social acts are studied and analyzed, where the social acts are the component elements of a social process. Johannessen (2017, page 75) explains that the different parts of the social act undertaken by different individuals appear in the act of each individual. He explains the tendency to act as others is present in the conduct of each individual involved and this presence is responsible for the appearance of what Mead ([1934], 1962) called social object. A social object exists only in human experience and has to be understood in terms of social acts.

According to Johannessen (2017) this is the basis of coordination and hence an organization.

Johannessen and Stacey (2005) also argue that as well as being generalizations, social objects may take the form of idealizations or cult values. The core of Mead's (1923) notion of cult value is that looking from the perspective of organizational life, managers have a tendency to idealize their plans and programs. Idealizations or cult values emerge in the historical evolution of any group or institution (Stacey, 2012). Mission statements are an example of such idealization, as well as political party programs before elections. In an organizational context, employees bring these generalized idealizations back to what really is possible in their daily practice. Mead (1923) calls this adapting to what really is possible, functionalizing the cult value.

Cult values suggest to people a future free of conflicts or constraints, evoking a sense of enlarged personality in which they can accomplish anything. Customer orientation can be seen as a formulation of a cult value, presenting people with an image of an idealized future. If the cult value customer orientation is applied directly to action, without allowing variations that are required in specific situations then it has the effect of including those who adhere to them and excluding those who do not, thereby establishing collective or 'we' identities for all of the individuals in both groups (Stacey and Griffin, 2008). The change process to become more customer oriented as described in chapter 1 (section 1.6.) indicates that the idealization of customer orientation was applied in a conformist manner by management, creating 'we' identities for both those who were included and excluded. What we see here is that the functionalization of the cult value customer orientation leads to both conflict (instability) and the negotiation of compromises around such conflict (stability).

From the complex responsive processes perspective, it is the processes of functionalization that are of research interest. The suggestion is that customer orientation is a social process shaped and formed by the complex interactions of human relating. The narratives as described in chapters 3, 4 and 5 demonstrate this.

Johannessen and Aasen (2007) explain that Mead's notion of social objects and cult values have something in common with the notions of social structure, habit and routine. Mead (1923) avoids however positing social structure as a phenomenon that exists outside individuals. In his view social objects and cult values are processes of generalization that only exist in their functionalization (particularization) in the everyday interactions between people.

The consequence of this explanation of how customer orientation emerges in an organization is a move away from thinking about customer orientation as something that can be managed, planned and analyzed. Throughout this thesis the 'inner' dynamics of customer orientation in technical oriented organizations was discovered,

which Shotter (2005) named an understanding from within. The narratives in chapters 3, 4 and 5 made clear that customer orientation is a dynamic phenomenon, which continuously changes and continuously needs to be re-negotiated.

#### 6.3.5. Reflecting on the Research Question

In chapter 2, paragraph 2.7.1. I discussed criteria within a reflexive context, in particular related to this study. One of the criteria I described was if I have a sufficient overview and a critical view on literature? As a result from my exploration to the dynamics of customer orientation in an organization, I composed a comparison table at the end of that chapter 3 (table 3.1, page 93), where I listed relevant findings from established customer orientation literature and compared these with the complex responsive processes perspective. This comparison provides a meaningful dimension to the motivation for studying customer orientation from a complex responsive processes perspective, which becomes more clear at the end of chapter 4, where I extended the comparison table of chapter 3 with illustrations from the narratives from chapters 3 and 4 (table 4.2, page 122).

This can be considered as a methodological exercise with the purpose to strengthen claims I am basing on the analysis of the narrative(s). Being able to do this can be regarded as a sign for linkage between the narratives and theory building. In their work about pragmatic strategy Nonaka and Zhu (2012) state that theory is an abstraction of experience: it must ultimately return to inform experience. They suggest using theory to reflect on it, justify it and improve it. Based on their experiences Nonaka and Zhu (2012, page 35) argue that pragmatic strategy is the purposeful accomplishment of idealistic, informed, disciplined experimentations. They argue that an innovative, ethical and effective pragmatic strategy is about moral standing, sound judgement, implementation skill and learning capability.

De Man (2011) draws similar conclusions. After he got acquainted with the Chinese language and culture, he started to question the taken for granted assumptions of the Western look at leadership. He found that Chinese philosophy is very much practice oriented, where detached and objective researching for the truth is unknown. Instead emphasis is placed on knowledge in a particular situation and the unity of this knowledge and actions undertaken. And this is exactly what I have been doing in this study.

## 6.4. The role, influence and power of management

In all narratives of this thesis the role and influence of managers was clearly visible. They influenced the customer interaction process, and from the narratives in chapters 3, 4 and 5 we have seen their impact on productivity, work pleasure and involvement. In chapter 5 (paragraph 5.3.3) I referred to literature from Keltner (2016), who argues that when persons gain power, processes are started that undermine positive intentions. Although not the main topic of this research, the influence of managers is such that in this section I dig deeper and explore why people behave differently in their role as managers.

First I recall some examples from the chapters of this thesis: already in chapter 3 (page 68) I described how I had to re-schedule an appointment with our most important customer, because our CEO had other obligations and he refused to re-schedule these. Another remarkable moment for me was the sudden interference of our CEO, where he just issued a power statement in a situation where he was not directly involved (page 112). Or take our CFO who does not show up at a meeting he organized himself, where we were supposed to discuss further steps after our customer expressed dissatisfaction (page 107). And in chapter 5 (page 138) my superior manager started to quarrel with a potential customer during the acquisition phase of a large order, concerning cost incurred by our customer, because we made a mistake with the paper work.

At the same time we have seen a similar pattern, in two different situations in two different companies, where instead of the manager, the team or an individual can be the decisive factor whether something happens or not. First there was in chapter 3 (page 81) a discussion on management level, whether or not to continue to work during the Christmas holiday season in order to finish an important proposal on time. For our project manager and me this was a non-issue. We just did it. And in chapter 5 (page 140) I described that our financial administrator managed to hide costs of from our superior manager, as she refused all forms of cooperation. Every other person was however convinced that the customer was right and had to be served accordingly, which resulted in a collective action of the employees involved.

These two examples show what can happen in organizations, even without managers knowing about it. When managers start to understand the underlying properties of such behavior, this could become an important asset in the development of an organization.

Sanders (2015) studied aspects determining behavior of managers. She explains that only recently the influence of emotions of managers working in organizations has become a topic of study. The study of emotions of managers was long kept outside the studies of organizational psychology. The reason for doing so was that from persons who are acting on management level it was implicitly expected that they would act rational, pushing their

feelings and emotions aside. In all narratives of this thesis we have seen however that in my working practice reality is very different.

In her research Sanders (2015) looked at the role of emotions with respect to the moral behavior of managers. In her study two emotions were central: pride and contempt. Pride is a positive emotion and refers here to a humble and content sense of attachment toward one's own or another's choices and actions, or toward a whole group of people. Sanders (2015) state there is nothing wrong with a manager who is proud. Things change however when she talks about a different type of proud manager: the selfish proud manager. Such a manager behaves arrogantly and finds himself to be extremely talented and/or intelligent. The research of Sanders (2015) indicates that haughty proud managers act selfishly. In their leadership style they seem to take less into account the needs, wishes and desires of their employees. In other words: such managers are incapable to act with empathy. Sanders (2015) found that haughty proud managers are struggling with an unstable self-image. Such managers may alternate their arrogance with uncertainty and try to reduce their own insecurity by behaving incorrectly towards their staff. Authentic proud managers, on the other hand, do not have to enforce their prestige (respect) through such behavior.

Sanders (2015) further found that whether or not a manager behaves unethically or not is part of the person's character, it has to do with what she named his or her 'moral identity'. She explains that this might be a vague concept, but what she means is that a person regards it as important for his or her own self-image to act correctly. Examples of such behavior are e.g. giving constructive feedback, open and honest communication, ask in meetings for ideas and respond to all contributions - instead of pretending whether everything is already known. It is all about being curious, trying things out, making mistakes and re-adjust. Sanders (2015) conclude that if moral actions are important for the self-image of a manager, the more understanding he or she shows for employees.

The research of Sanders (2015) indicated however that moral identity does not mean a manager is behaving well under all circumstances. Certain behavior of employees can trigger a manager in such a way that it will influence his or her behavior negatively. She found that e.g. laziness from employees is often a reason that encourages contempt, but also incompetency or consistently being late at e.g. meetings. She concludes that even managers with a strong moral identity can therefore show unethical behavior if he or she is confronted with such behavior often enough.

From the complex responsive processes perspective values and value commitments arise in the course of self-formation through processes of idealizing intense experiences and through the imaginative construction of a whole self, to yield general and durable

motivations for action directed towards what is judged as the good (Stacey, 2012, page 32). This implies that values cannot be prescribed or deliberately chosen by anyone.

Sanders (2015) argues that the road to ethical leadership lies in a horizontal corporate culture, or in a structure where managers have less power and where there are fewer differences in status between a manager and employees. In her view managers can afford to act more immorally because of their high position and presumed invulnerability. The size of the company does not seem to play a role. The company I worked for in chapter 3 and 4, employed about one-hundred employees and in terms of Sanders (2015) it was a horizontal or hierarchical 'flat' organization. I described however in chapter 4 (paragraph 4.3.3) that I experienced the behavior of management as erratic and this could be considered as an example that the suggestion of Sanders (2015) of a horizontal organizational structure alone is not enough as a solution.

Digging deeper to what more is needed to establish ethical leadership; I first turn again to Keltner (2016, page 10), who refers in his work to a power paradox. As soon as one has acquired power, a manager often loses the qualities that made one acquire it. His research shows that personality traits such as calmness, openness, enthusiasm, friendliness and focus are qualities on which we choose our leaders. Choose, because in reality, power is something that others grant to someone. In his view it is not something that you take on your own. Interesting is that we see here a parallel with the work of Elias (1976), who defines power as the enabling constraints between people and is an aspect of all human relating.

Keltner (2016) explains that power is often obtained through acts of compassion, but once at the top persons begin to behave arrogantly and unethically, a finding similar to the finding of the study of Sanders (2015). This change in behavior is explained both by Keltner (2016) and Sanders (2015) as a tendency to become less empathic once people become aware of their power.

This way of understanding power ensures that our focus is less on the other and more on the self. Keltner (2016) argues that to remain a good leader you have to keep a focus on others, while that creates a feeling of solidarity. He gives an example from American politics: Abraham Lincoln was a star in keeping focus on others. Keltner explains that Lincoln talked to people, he really listened to them and as a result his voters felt understood.

Moen, Ansems and Hanse (2000) refer in their work to a discrepancy between the self-image of managers and how employees feel about a manager. They stated that managers are unable to hear the baby cry, meaning that somehow managers do not seem to take notice of this discrepancy. Groot (2016) emphasizes that the person who has the biggest chance to influence the behavior of a powerful individual is that person self. He refers to

Wintzen (2006) and Mockus (2002) as examples who were capable to reflect on their successes and failures. This gave them a much better insight in the strategic considerations that played a role in the development of their respective organizations.

Generally it is expected from managers that they lead the way and set out a route that has not yet been entered. This requires a form of reflection, namely the ability to test external ambitions against inner convictions. Lewin and Regine (2000) argue that this process begins with nothing short of a personal conversation, that is, a difficult and often painful process of learning to let go of the illusion of control. It entails a reflection on yourself as manager, placing aside ego- driven needs and instead finding gratification and satisfaction in cultivating others; it is embracing the leader as a servant. In the view of De Man (2011) leaders should facilitate in such a way that objectives can be discovered through acting. He refers to Weick ([1979], 1995) who introduced the term enactment, which represents the notion that when people act they bring structures and events into existence and set them in action (chapter 2, paragraph 2.6.2). De Man (2011) regards this as a form of social construction and according to him; post-heroic and servant leadership would fit with such a form of social construction.

According to Homan (2013, page 533) the functioning of organizations cannot be understood by considering employees and managers as independent. This view is shared with Ames and Rosemont (1998), who explain that Chinese thinking does not conceive relations between managers and employees as an interaction of autonomous individuals, but as roles that constitute each other. This reasoning also follows from the work of Elias (1976) who states that people are interdependent, and from this interdependency an order emerges which is different when managers and employees would be studied separately.

The fact that people are in relationship with each other is universal and this implies a certain power struggle in every relationship. Power relations arise according to Elias (1976) where they become interdependent. Keltner (2016) explains this as follows: we often associate the word power with coercion, with dominance, with monarchs or even despotes. But if you can look at power as a capacity to make a difference in the world, to influence the lives of others in a positive way, there is power in every interpersonal relationship.

From a complex responsive processes perspective, no one can determine the dynamic of interaction in an organization because that dynamic depends upon what others in that organization and in other organizations are doing (Stacey, 2011, page 492). Stacey further explains that managers occupy powerful roles at the top of organizational hierarchies. Their work involves allocating resources and by doing so they both enable and constrain other members of the organization. Managers also design sets of procedures and hierarchical reporting structures but always in interaction, in which they are responding to

what has happened. Managers make decisions and take actions, which affect a great many others. They may identify what kind of responses they would like by making statements about values, required cultures and behaviors. They may try to motivate people to adopt all of this. What managers cannot do is to program the responses others will make. They simply cannot control the interplay of intentions. People will only be able to respond according to their own capacities and managers will find that they have to respond to the responses that they have evoked and provoked.

The discussion in this section may help the reader (especially managers<sup>4</sup>) to understand that a more balanced social relationship between managers and employees is required. In my view, in the technical organizations, which formed the basis of the narratives of this thesis, a format is required where managers are coaches who help other people to develop their qualities. This can lead to a more careful and horizontal decision-making process, like Sanders (2015) is suggesting. In chapter 3, during the acquisition process of an order, we have seen that this can work. Managing in a technical environment, where generally people work who can be considered as knowledge intensive workers (smart), means giving room and space to different views and opinions and dare to suspend your own opinion and judgment as a manager by e.g. taking time for reflection. Moen and Ansems (2004) argue that this sharpens the manager's own vision and broadens the base to make decisions and in addition a manager will get a more complete image of his and her employees. According to Weggeman (2007) participation of knowledge intensive employees leads to a collective ambition. He refers in this respect to Moss Kanter (1985) who argues that if employees have a chance to participate in a decision process, there is more commitment to agreed actions.

Throughout the narratives of this thesis we have also seen that people working in technical environments, e.g. our project manager in chapters 3 and 4 and also myself in chapter 5, don't like being treated as machines. Specifically in chapter 5, we have seen an example of scientific management (or 'Taylorism'), which focuses on optimizing organizational performance through pre-defined tasks, targets and measurements. A humble advice to managers is therefore to let go of the illusion of control and let yourself be surprised by what your employees are able to accomplish.

---

<sup>4</sup> Ethical note: I attempted to ask my former superior managers for comments but none of them could be reached. As mentioned in the various chapters, most of them left the company, or were transferred. And the same happened to me. Although I maintained contact with my superior manager who appears in the narratives of chapter 3 and 4, the contact faded away over time. My superior manager from chapter 5 went back to Germany and disappeared out of my sight.



#### 6.4.1. The Illusion of control

The formalized way of communicating, the many performance indicators (instrumental rationality) lead to the conclusion that the Japanese company I worked for in chapter 5 showed signs of a bureaucracy: the belief that an organization can be governed and controlled hierarchically and mechanically as if it were a machine (Mintzberg, 1980). The idea is that organizations are controllable as a closed system of rules and regulations.

Working in sales and being a sales manager has however more the characteristics of operational leadership. The environment can unexpectedly change and one has to deal more with group based and mission based practice as explained by Johannessen (2017, page 64). I found it difficult to combine the role of being on one hand a bureaucratic manager and an operational manager at the same time. Often I found myself caught in a paradox. Working in sales is unpredictable and from one moment to the other there can be a crisis situation at a customer. In such situations one has to look for a solution fast and often this implies bending rules and regulations. In the Japanese company (chapter 5), this was not possible to discuss and consequently this undermined the required flexible coordination of operational (sales) practice.

In addition both the hierarchical and physical distance between Japanese management and me was big (they were located at the European headquarters in Germany, whereas I was based in NL. Nevertheless their influence was clearly noticeable. The situation as described in chapter 5 made me think of an argument of Llewellyn (1999). She argues that managers do seek to explain events but they are primarily concerned to influence people through their explanations. She argues that as practitioners, managers want to create the world, as they would like it to be. By doing so, in my view Japanese management lost track with what really is happening on the operational level of the organization and more specifically with the customer relations in the respective countries.

In this thesis I attempt to demonstrate that by taking a complexity view on organizations and embracing concepts like self-organization, emergence and nonlinearity as indicators, that our ability to put organizations under control are limited. According to the complex responsive processes approach organizations are to be understood as self-organizing processes created by themes of communication that are coordinated and patterned between people (Stacey, 2011). This pattern can be regarded as an everyday power and identity struggle, where managers play an influential role, but they are unable to control a situation. Johannessen (2017, page 68) explains that even if some persons in an organization are authorized to influence themes or communication more strongly than others, this does not mean that an organization is controlled by powerful managers or a system outside the interacting people, because the themes of communication sustain, move and change an organization in unpredictable ways.

#### 6.4.2. Personal Experiences as Manager

In chapter 5 I explained that I became manager of the a local sales office. This offers an opportunity to compare my personal management experiences in relation to what I wrote in the previous paragraphs and the experiences I had with my superior managers in chapters 3, 4 and 5.

I experienced managing the small team as an and-and situation: I have to pay attention to the work that needs to be done and to the people in the team. The past experiences from chapters, 3, 4 and 5 certainly played a role in my acting. They made me uncertain and also alert not to fall into the same trap. I noticed that everything I said or not said and did, or not did, had an impact on the people around me. Evert act of every person in a group has impact on the behavior of the group. As a manager however I realized that the impact of what I did was enlarged in its consequences.

I attempted to find a balance between telling the employees what to do and letting them defining their own priorities. I figured that educated people nowadays want to be left in peace in a good way, but along the sidelines there is a need for control and no infinite freedom. It occurred to me however that more than once I had to remember them to work on the items I asked for. Sometimes I notice annoyance with myself about their working attitude, like when they found time to gossip or when I noticed disinterest and laziness. More than once the thought crossed my mind that I am leading a kindergarten. They are however the people comprising the team who are running this sales office, so I adhere to the guidelines of Keltner (2016) to avoid bad habits of power, by continuing to focus on four elements he suggested: (1) keep an eye on the interests and feelings of the employees (empathy); (2) I share in what I get, which is mainly about knowledge – information from the rest of the organization; (3) I tried to make it clear what I expected from the employees by focusing on common goals and discussing this with them. I was looking for stories that unite each other (which turns out to be quite difficult in practice). (4) I did not pursue a role as manager, but I was asked to fulfill this role and I was grateful that I got rewarded with this position. But somehow I had an uncomfortable feeling and after three years I decided to leave and take time off to concentrate myself on finishing this thesis. The fundament for my decision originated already from the acquisition of a first major project (see of chapter 5), where I experienced the process to get the order more as ‘dogfight’ instead of looking for a cooperative way to work with a customer.

Another reason for my decision was that I noticed I was less involved in my work, compared to previous jobs. For example in keeping track of my projects I noticed a *laissez faire* attitude by myself. The strict hierarchical way of managing people in the Japanese working environment, as described in chapter 5, was contradictory to my intentions and ambition. To me it felt also counterproductive as it gave me the feeling as if there is no need for any creativity in serving customer requests.

I also started to feel resentment with the attitude of the Japanese colleagues towards our customers. They were always polite and friendly, but the answers lacked any concrete solutions for the customers I was serving. This meant that I often was unable to help customers, challenging my view on what it meant to work in a customer oriented way.

In the years I worked for this company I managed however to increase the turnover substantially. To achieve this I had to overcome many difficult discussions with the internal organization, which cost me a lot of (negative) energy. In chapter 5 (paragraph 5.4.1) questioned if the people in this company are customer-oriented. Even though top management told us to 'listen to the voice of our customers', I became aware that the main goal for this employer is to sell as many products as possible to customers at an effort as low as possible. This made me feel as if I am a box mover and that has in my view nothing to do with customer orientation. In terms Mead's generalized other, I was able to adapt to this organization, but my real (hidden) attitude was much more critical and after some years I came to the conclusion that I was doing work which does not coincide with my own personal values.

## **6.5. Concluding Remarks**

This thesis demonstrated that it is possible to create new knowledge by connecting the ideas presented by the complex responsive processes perspective and recognized traditions of methodological thought in general and how these have come across in other work about organizational studies and even narrower in customer orientation related research.

In a participative exploration of experience, where the researcher cannot step outside the interaction with others, particular knowledge about human social action was gathered from the relating with other people and through the thinking and reflection on the narratives as described in chapters 3, 4 and 5. Participation in the many local interactions gave insight into the dynamics of how employees are working together to fulfill the requirements of a customer. We have seen that sensemaking, which takes place in action and interactions, mainly through language, becomes a paradoxical movement of construction and self-denial. This implies shifting the emphasis away from oppositional and interpretative strategies towards those processes that shape both meanings and equivocality. Participative approaches rule out conventional interpretive positions that imagine the enquirer taking a neutral or objective stance on the question and the situation under study. The logic of enquiry implies a struggle to make an indeterminate situation into a more positively controlled one through an inquiry process where reflection and action are directly linked (Allard-Poesi, 2005, page 187).

This study gives a qualitative insight what happens in an organization that influences the abstract value customer orientation. In line with what Johannessen (2013) stated, we have seen that time, process and agency are methodological differentiators suitable for a discussion on one's own position and thinking on knowledge creation and research when complexity is the issue of interest in organizational studies.

In paragraph 6.3.4 I argued that results of a study from the complex responsive processes perspective present themselves in the form of cult values. The practical use of these cult values is always a 'translation' to a specific local situation, which Mead ([1934], 1962) refers to as particularization and which again is a local interaction (communicative) process. This (learning) process might lead to a more customer-orientated attitude of the individual employees in the different groups (departments) of an organization. Particularization of the cult value customer orientation can be stimulated by discussing with employees from different departments what customer orientation means in their work. Here I see an important role for the commercial (sales) person, who acts as the boundary spanner between a customer and the supplier organization. This person is the interpersonal virtuoso who, in his or her own organization, is able to stimulate the particularization process of the cult value customer orientation. In other words, the commercial (sales) person is able to help people from other departments to think and act in a more customer-oriented way, so that the entire organization becomes customer oriented and consciously contributes to a satisfactory result (in terms of revenue). This means however that commercial (sales) people must develop a good insight into the journey of the customer through their own supplying organization. The challenge will be to motivate people from other departments in technical oriented organizations to put less focus on their own departmental matters and emphasize more on customer orientation. Such an approach requires attention from managers of the supplier organization, but given the experiences described in this thesis, it is questionable if and how this can be achieved. If such an approach however succeeds, there is potentially a lot to gain, especially regarding the improvement of revenue and results.

Initially my ambition of this research was to present 'suggestions' for managers to implement customer orientation. This implicitly shows a control and thus traditional managerial-perspective where a person (manager) is able to (predictively) change the behavior of many others. The complex responsive process perspective questions this assumption is. As one of the participants in local interactions one can try to influence the course of these interactions, but one cannot control them completely by implementing 'solutions'. This coincides with what Grant (2008) describes in his works with the Workers Council. He explains that although he was 'the boss', at the same time he was not the only person who 'controlled' the dynamics of the negotiating process.

Providing 'concrete solutions' is contradictory to the basic thoughts of the complex responsive processes perspective, because the perspective deals with how a person is looking at his or her unique practice, in different social environments. Instead of looking for solutions, I explored the theme 'what is it that we are doing together in a customer-supplier journey?' While doing this I described my experiences in such a way that the reader can relate to my experiences: where I come from, what I am doing and what I experience in the interactions with others. This study made clear that customer orientation has to do with the interplay of intentions, identities of the people, which are related to the group (department) they belong to, power relations and the role of management. All of these factors point to the quality of the communicative interaction between the persons involved when serving a customer. This study further demonstrated that serving a customer in a (high) tech environment is always local, specific for a particular situation and influenced by many factors from present, past and future. In section 6.2 I argued that the construct of a model makes no sense, when studying organizations from a complexity perspective. To project a model on all interactions would be neglecting the local, specific and uniqueness of the described situations. It also could lead to the suggestion that a manager could simply use such a model as a unilateral solution, as if it were a tool.

The best orientation on the customer emerged in chapter 3 when the supplier company understood what problem the customer wanted to solve with the conceptual design. The supplier not only delivered the product, but the product design was such that it solved that problem in particular. The customer was prepared to pay more for such an arrangement. The figure on the title page of this chapter symbolizes the patterns of interaction between people from different departments in a company, all with the purpose to achieve this. The picture shows what is called the Canvas business model. Core of this model is the value proposition to customers, whereby individual customers are considered to be self-determining: to some degree actually (and to a greater degree potentially), they are authors of their own actions, a view that has been refined by Grönroos (2012), who distinguishes between *customer value creation* - which relies on the activities of customers as economic actors - and *value co-creation* - which requires the interaction of two or more economic actors (customer and supplier). If people in technical oriented organizations put less focus on their own organizational matters, like e.g. developing a technical superior solution and emphasize more on customer needs and the corresponding value propositions, there is potentially a lot to gain in terms of possibilities for improvement of revenue. And this is exactly what traditional literature about customer orientation is suggesting, as mentioned on page 12.

In the narratives of chapter 3 and 4 we have also seen that the difference in professional skills between people from the customer and supplier is small. Weggeman (2007) argues that in such a situation there must be a balance between distance and involvement. Involvement requires according to Weggeman (2007), listening to the requirements of the customer, empathy, presence and communication in a language that the customer understands. With distance Weggeman (2007) means a certain amount of assertiveness, like not doing concessions to the level of quality or service, or doing something from which it is known beforehand that it will be impossible to realize, but it has to be done to satisfy a customer.

I experienced the type of practitioner research that I performed more complicated than theory oriented research, because of the involvement of people and the dynamics of the situation. In my role as the researcher as observing participant, I was in constant interaction with other people. In this type of research persons are not seen, nor treated as objects, but as human beings who are part of an organizational society in which people are interdependent.

Looking back at the experiences I described in the narratives of this study, a consequence for me as a sales person is that I have to work on seemingly impossible assignments, from which I tried to make the best of it. If we consider a customer who expressed his satisfaction (chapter 4) or the fact that a customer granted an order (chapter 5) as measures for customer satisfaction, eventually the problems that were discussed in the narratives of chapter 3, 4 and 5 were solved, but at the cost of a decline of profit and a customer relation.

In chapter 2 I referred to Mowles (2011), who argued that this way of doing research would make me more skillful at paying attention to and describing the quality of my participation at work. In my work as sales professional it is a constant struggle to deal with problems concerning dilemmas, including the many paradoxical situations, between hierarchy assignment (human power) and human relations (interaction). The technical challenges a customer is facing are a much smaller part of my work, but it is from these technical challenges where I find my motivation to continue with my work.

Being an observing participant and gradually developing an understanding of the insights of the complex responsive processes approach and it's related literature I was able to develop a better understanding for the view of people from other departments and this made me understand their situation better.

This understanding helped me to develop a careful and attentive way of communicating, in such a way that I was able to motivate others to do something to help my customers. In this process I came to realize that people might interpret the intention of a verbal or written message for me in completely different way, as I intended. I learned to take a moment of reflection, before giving my opinion about a situation. With reflection I mean

here taking a deliberate (mental) break, with the objective to understand what has been said or written, in order to be able to react accordingly and in such a way that it suits my objectives. The discovery of my role as boundary spanner helped me insofar that I became aware of the importance of the role I had and this strengthened my self-confidence. This proved to be helpful in discussions with persons from other departments of the organization I worked for.

I was fortunate to work for various companies during this PhD thesis trajectory, because it made comparison possible. With regard to serving customers I have lived through similar experiences, in different organizations that are in no way connected to each other. How come I have experienced similar problems in different organizations, where the environment of these different organizations is not directly connected? My subjective experience is to be regarded as an expression and result of social relating. In this study objectivity is to be understood from an intersubjective perspective. This explains why the narratives described in chapters 3, 4 and 5 show recognizable patterns and this is why my personal experience with customer orientation becomes an interesting subject for my research. We tend to experience similar things in similar environments, even though these environments are different and not directly connected to each other. This implies that the study I performed offers the possibility that the context of this study and the context of a reader may merge, creating the possibility for the reader to develop new insights that may help him or her in moving on in his or her own context.

## **6.6. Suggestions for Further Research**

In chapter 3, 4 and 5 we have seen that customers in a technological environment are highly depending on the supplier and consequently the degree of customer orientation from the supplier's side suffers from that. According to my working experience the reason that customers do not change supplier has to do with their own (high) investments, time pressure and complicated technology. To terminate a relation with a supplier often means for a customer re-engineering work and consequently (often) unacceptable delays of the customers' own projects. Most of the time customer and supplier are however together on a route to success. In case of a failure one party can drag the other party with him. This might explain why customers in this line of work are accepting non-customer oriented behavior more than in other sectors. It also indicates what a world there is to win. A question that emerges at this point is if there is an inverse proportionality between customer orientation and the technological level of the product or service being sold? To answer this question similar studies need to be performed at non-technical oriented

companies. This question goes beyond the scope of this thesis, but is a suggestion for future research. A relevant question to further investigate is, if there is an inverse proportionality between customer orientation and the technological level of the product or service being sold? To answer this question similar studies need to be performed at non-technical oriented companies. I assume that it will be a challenge to find a person who will do a research according to the perspective I used. I would suggest therefore to adopt a more traditional qualitative approach, by first analyzing the narratives using appropriate software (e.g. Nvivo) to look if patterns can be recognized and investigate if it is possible to develop a concept, which can be used to further investigate other (technical) organizations. Such type of research will be different from what I have been doing in this thesis, as the researcher will then be a participant observer instead of the observing participant role I took in this thesis.

Taking the suggestion mentioned in section 6.5 that the boundary spanner is the person who is able to improve the degree of customer orientation in an organization, a study can be developed to investigate if and how this can be possible, given the constraints mentioned in this thesis. This topic can be combined with the above-mentioned suggestion to perform a more qualitative analysis of the narratives used in this thesis.

In section 6.4 I discussed the role and influence of managers with the purpose to explain what I observed and experienced from their behavior in the narratives. In my view a manager is concerned with both self-enforcement and with the enforcement of the organization or department he/she is responsible for. Further research would be to investigate if and how the findings of section 6.4 can be made clear to managers, in such a way that they understand and embrace the findings and do something with it? A possible start for such kind of research could be the upcoming work of prof. Stoker and prof. Garretsen (both from the University of Groningen), which will be published mid October 2018<sup>5</sup>. Their research comprised the search for factors that make a leader influence his or her environment. For this study they combined academic knowledge about managing with factors indicating the quality of leadership. Quality factors were defined as the sum of operations management, strategic management, and personnel management as well as to what extent managers monitor pre-defined targets.

I also brought up several times the importance of reflective moments, especially for managers. This suggestion is supported by other academics. The questions how to increase the importance of reflection in organizational life and what is needed to make reflection a part of organizational life can be combined with the previous suggestion.

---

<sup>5</sup> J. Stoker and H. Garretsen – Goede leiders zweven niet (Good leaders do not float).





# References

- Abma, R. (2011). *Over de grenzen van disciplines. Plaatsbepaling van de sociale wetenschappen [Crossing borders of disciplines. Positioning social science]*. Nijmegen: Uitgeverij Vantilt.
- Agar, M. (2013). *The lively science: Remodeling Human Social Research*. Minneapolis: Mill City Press Inc.
- Aldrich, H. and Herker, D. (1977). *Boundary spanning roles and organization structure*. Academy of Management Review, 2, pp. 217-230.
- Alexander, A., Teller, C. and Roggeveen, A.L. (2016). *The boundary spanning of managers within service networks*. Journal of Business Research, 69, pp. 6031-6039.
- Allard-Poesi, F. (2005). *The Paradox of Sensemaking in Organizations*. In: Organization Articles. 12(2), 169-196. ISSN 1350-5084, London: Thousand Oaks.
- Alvesson, M and Skoldberg, K. (2009). *Reflexive methodology: new vistas for qualitative research* (2<sup>nd</sup> ed). London: Sage Publications.
- Alvesson, M., and Spicer, A. (2012). *A Stupidity-Based Theory of Organizations*. Journal of Management Studies, 49(7), pp. 1194-1220, DOI: 10.1111/j.1467-6486.2012.01072.x.
- Amabile, T.M. and Kramer, S. (2011). *The Progress Principle. Using small wins to ignite joy, engagement and creativity at work*. Boston: Harvard Business Review Press.
- Ames, R.T. and Rosemont, H. (1998). *The Analects of Confucius: A Philosophical Translation*. New York: Random House.
- Anderson, K. (2009). *Ethnographic Research: A key to Strategy*. Harvard Business Review, March 2009 issue.
- Bagozzi, R.P., Verbeke, W.J.M.I., van den Berg, W.E., Rietdijk, W.J.R., Dietvorst, R.C. and Worm, L. (2012). *Genetic and neurological foundations of customer orientation: field and experimental evidence*. Journal of the Academy of Marketing Science, 40, pp. 639-658.
- Bate, S.P. (1997). *Whatever happened to organizational anthropology? A review of the field of organizational ethnography and anthropological studies*. Human Relations, 50(9), pp. 1147-1175.
- Berger, P.L. and Luckmann, Th. (1966). *The Social Construction of Reality: A treatise in the Sociology of Knowledge*. London: Penguin Books.
- Berthon, P., Hulbert, J.M. and Pitt, L. (2004). *Innovation or customer orientation? An empirical investigation*. European Journal of Marketing, 38(9), pp. 1065-1090.
- Beverland, M.B. and Lindgreen, A. (2007). *Implementing marketing orientation in industrial firms: a multiple case study*. Industrial Marketing Management, 36, pp. 430-442.
- Blankson, C., Motwani, J.G. and Levenburg, N.M. (2006). *Understanding the patterns of market orientation among small businesses*, Marketing Intelligence & Planning, 24(6), pp. 572-690.
- Blocker, C.P., Flint, D.J., Myers, M.B. and Slater, S.F. (2011). *Proactive customer orientation and its role for creating customer value in global markets*. Journal of the Academy of Marketing Science, 39(6), pp. 216-233. DOI 10.1007/s11747-010-0202-9.
- Bosch I. (2012). *Past Reality Integration – 3 steps to mastering the art of conscious living*. London: Hay House UK Ltd.
- Boer de, F. (2011). *The Grounded Theory Approach: an update*. Tijdschrift Kwalon, 16(1), pp. 1-6.
- Bonacchi, M. and Perego, P. (2011). *Improving profitability with customer-centric strategies: the case of a mobile content provider*. Journal of Strategic Change, 20, pp. 253-267.
- Bourdieu, P. (1986). *The biographical illusion*. In: du Gay, P., Evans, J. and Redman, P. (eds) (2000). *Identity – A Reader*. London: Sage.
- Brannick, T. and Coghlan, D. (2007). *In defense of being “native”. The case for insider academic research*. Organizational Research Methods. 10(1), pp 59-74. Brinkmann, S. (2012). *Qualitative inquiry in everyday life*. London: Sage Publications.
- Brown, L.D. (1983). *Managing conflicts at organizational interfaces*. London: Addison Wesley.

- Buur, J. and Larsen, H. (2010). The quality of conversations in participatory innovation. *CoDesign*. 6(3), pp. 121-138, DOI: 10.1080/15710882.2010.533185.
- Cadogan, J.W., Souchon, A.L. and Procter, D.B. (2008). *The quality of market-oriented behaviors: Formative index construction*. *Journal of Business Research*, 6, pp. 1263-1277.
- Calori, R. (2002). *Essai: real time/real-space research: connecting action and reflection in organization studies*. *Organizational Studies*. 23(6), pp. 877-883.
- Chen, S-C and Quester, P.G. (2009). *A value-based perspective of market orientation and customer service*. *Journal of Retailing and Consumer Services*, 16, pp. 197-206.
- Chesbrough, H.W. and Garman, A.R. (2009). *Use open innovation to cope in a downturn*, Harvard Business Review, june, pp. 1-9. Web Exclusive.
- Chia, R. (1995). From modern to postmodern organizational analysis. *Organizational Studies*, 16(4), pp. 523-535.
- Chia, R. (2000). *Discourse Analysis as Organizational Analysis*. *Organization*, 7(3), pp. 513-518.
- Cicmil, S., Williams, T., Thomas, J. and Hodgson, D. (2006). *Rethinking Project Management: Researching the actuality of projects*. *International Journal of Project Management*, 24 (8), 675-686.
- Cilliers, P. (1998). *Complexity and Postmodernism. Understanding complex systems*. London: Routledge.
- Cilliers, P. (2001). *Boundaries, Hierarchies and Networks in Complex Systems*. *International Journal of Innovation Management*. 5(2). pp.135-147.
- Conduit, J. and Mavondo, F.T. (2001). *How critical is internal customer orientation to market orientation?* *Journal of Business Research*. 51(1), pp. 11-24.
- Constantine, P. ed. (2007). *The Essential Writings of Machiavelli*. New York: RandomHouse.
- Correa, F.P. (2013). *The Evaluation of Qualitative Research: A Reflection from a Justice Perspective*. *Qualitative Inquiry*. 19(3). pp. 209-218. DOI: 10.1177/1077800412466225.
- Costanza, R., Wainger, L., Folke C. and Mäler, K.G. (1993). *Modeling complex ecological and economics systems. Toward an evolutionary, dynamic understanding of people and nature*. *BioScience*, 43(8), pp. 545-555.
- Craib, I. (1992). *Anthony Giddens*. Londen & New York: Routledge
- Cross, R.; Ehrlich, K.; Dawson, R. and Helferich, J. (2008). *Managing collaboration: Improving team effectiveness through a network perspective*. *California Management Review*, 50 (4). pp. 74-98.
- Cunliffe, A. (2003). *Reflexive inquiry in organizational research: questions and possibilities*. *Human Relations*, 56(8), pp. 983-1003.
- Dasborough, M.T. (2006). *Cognitive asymmetry in employee emotional reactions to leadership behaviors*. *The Leadership Quarterly*, 17, pp. 163-178.
- Denzin, N. and Giardina, M. (2008). *The elephant in the living room, or advancing the conversation about the politics of evidence*, In Denzin, N., Giardina, M. (Eds). *Qualitative Inquiry and the politics of evidence*, pp. 9-51, Walnut Creek, CA: Left Coast Press.
- Desphande, R., Farley, J. U. and Webster, E. jr. (1993). *Corporate Culture, Customer Orientation and Innovativeness in Japanese Firms: A Quadrad Analysis*. *Marketing Journal*, 57, pp. 23-27.
- Deuten, J. and Rip, A. (2000). *Narrative infrastructure in product creation processes*. *Organization*, 7(1), pp. 69-93.
- Dom, L. (2005). *Het nut van Giddens' structuratietheorie voor empirisch onderzoek in de sociale wetenschappen [The usefulness of Giddens structuration theory for empirical research in social science]*. *Mens en Maatschappij*. 80(1), pp. 69-91.
- Donaldson, A. (2013). *Learning from Experience – Why history matters in organizational life*. *e-Organisations & People*. 20 (4).
- Drucker, P.F. (1954). *The practice of management*. New York: Harper and Row Publishers.
- Elias, N. ([1939], 2000). *The civilizing process*. Oxford: Blackwell Publishing.
- Elias, N. (1991). *The society of individuals*. Oxford: Blackwell.
- Elias, N. (1976). *What is sociology?* New York: Columbia University Press.
- Elias, N. (1996). *The Germans – power struggles and the development of habitus in the nineteenth and twentieth centuries*. Cambridge: Polity Press
- Elias, N. and Scotson, J. (1994). *The Established and the Outsiders*. London: Sage.

- Ellis, C. (1999). *Heartful autoethnography*. Qualitative Health Research, 9, pp. 669-683.
- Emirbayer, M. and Mische, A. (1998). *What is Agency?* American Journal of Sociology, 103(4), pp. 962-1023.
- Fenwick, T. (2012). *Complexity science and professional learning for collaboration: a critical reconsideration of possibilities and limitations*. Journal of Education and Work, 25 (1), pp.141-162.
- Fleck, L. ([1935], 1979). *Genesis and Development of a Scientific Fact*. Chicago: University of Chicago Press.
- Flyvbjerg, B. (2001). *Making social science matter*. Cambridge: Cambridge University Press.
- Flyvbjerg, B., Bruzelius, N. and Rothengatter W. (2003): *Megaprojects and Risk: an anatomy of ambition*. Cambridge: Cambridge University Press.
- Ford, D. and Mouzas, S. (2010). *Networking under uncertainty: Concepts and research agenda*. International Marketing Management, 39, pp. 956-962.
- Galbraith, J.R. (2005). *Become Customer-Centric*. T+D: American Society for Training & Development, October, pp. 14-15.
- Garfinkel, H. (1967). *Studies in Ethnomethodology*. Cambridge: Polity Press.
- Gebauer, H., Gustafsson, A. and Witell, L. (2011). *Competitive advantage through service differentiation by manufacturing companies*. Journal of Business Research, 64 (12), 1270-1280.
- Gebauer, H. and Kowalkowski, Chr. (2012). *Customer focused and service focused orientation in organizational structures*. Journal of Business & Industrial Marketing, 27(7), pp. 527-537.
- Geertz, C. (1973). *The Interpretation of Culture*. New York: Basic Books.
- Gerritsen, M. (2014). *Vlaanderen en Nederland: waarom twee culturen en wat zijn de gevolgen in de Vlaams/Nederlandse interacties? (Flanders and Dutch: why two cultures and what are the consequences in the Flemish/Dutch interactions? )*, Neerlandia, Nederlands-Vlaams tijdschrift voor taal, cultuur en maatschappij, 118(2), pp. 11-13.
- Gersick, C.J.G. (1988). *Time and transition in work teams: toward a new model of group development*. Academy of Management Journal, 31(1), pp. 9-41.
- Gerwen, van, P. and Raaijmakers, R. (2016). *NATLAB: Kraamkamer van ASML, NXP en de CD [NATLAB: incubator for ASML, NXP and the CD]*. Nijmegen: Techwatch B.V.
- Giddens, A. (1984). *The Constitution of Society*. Cambridge: Polity Press.
- Giddens, A. (1983). *Hermeneutics and Social Theory*. In Profiles and Critiques in Social Theory. Berkeley: University of California Press.
- Glaser, B.G. and Strauss, A.L. ([1967], 1995). *The discovery of Grounded Theory: Strategies for qualitative research*. New Jersey: AldineTransaction.
- Grant, A. (with approval of the author, nom de plumes of Groot, N). (2008). *Working at the edge of polarized conflict in organizations*. In R. Stacey and D. Griffin (Eds) *Complexity and the Experience of Values, Conflicts and Compromise in Organisations*. Abingdon, Oxon: Routledge.
- Griffin D. (2002). *The emergence of Leadership: Linking Self-Organization and Ethics*. London: Routledge.
- Groot, N. (2007). *Senior executives and the emergence of local responsibilities in large organizations: a complexity approach to potentially better results*. PhD Thesis, University of Hertfordshire, UK.
- Groot, N. (2010). *Zelforganisatie en leiderschap: een uitdagende paradox*. Amsterdam: Mediawerf.
- Groot, N. (2016). *Powerful Individuals and their dominant role in organizations: time for reflexivity*. International Journal of Business and Globalization, 17 (4), pp. 514-527.
- Grönroos, Chr. and Voima, P. (2013). *Critical service logic: making sense of value creation and co-creation*. Journal of the Academy of Marketing Science, 41(2), pp. 133-150, DOI 10.1007/s11747-012003808-3.
- Gummesson, E. (1990). *Marketing Orientation Revisited: The Crucial Role of the Part-time Marketer*. European Journal of Marketing, 25(2), pp. 60-75.
- Gummesson, E. (2008). *Extending the service-dominant logic: from customer centricity to balanced centricity*, Journal of the Academy of Marketing Science, 36, pp. 15-17.
- Gummesson, E., Kuusela, H. and Närvänen, E. (2014). *Reinventing marketing strategy by recasting supplier/customer roles*. Journal of Service Management, 25(2), pp. 228-240.

- Hamel, G. (1999). *Bringing Silicon Valley Inside*. *Havard Business Review*, September-October 1999.
- Hatch, M.J. and Cunliffe, A.L. (2008). *Organization Theory. Modern, Symbolic and Postmodern Perspectives*. Oxford: Oxford University Press.
- Heikkinen, H.L.T., de Jong, F.P.C.M. and Vanderlinde, R. (2016). *Wat is (good) practitioner research?* *Vocations and Learning*, 9, pp. 1-19, DOI 10.1007/s12186-016-9153-8.
- Hekkert, M and Ossebaard, M. (2010). *De innovatiemotor. Het versnellen van baanbrekende innovaties*. [The innovation motor. Accelerating ground breaking innovations]. Assen: Koninklijke Van Gorcum BV.
- Homan, T. (2005). *Organisatie dynamica: Theorie en praktijk van organisatie verandering*. [Theory and practice of organizational change]. Den Haag, Sdu Uitgevers bv.
- Homan, T. (2006). *Wolkenridders: Over de binnenkant van organisatieverandering*. [Cloudbusters: About the inside of organizational change]. Heerlen: Open Universiteit NL.
- Homan (2013). *Het Et-cetera Principe. Een nieuw perspectief op organisatie ontwikkeling* [The et-cetera principle. A new perspective on organizational development]. Den Haag: Academic Service (BIM Media B.V.).
- Homan, T. (2016). *Locating complex responsive process research in the approaches of theorizing about organizations*. *International Journal of Business and Globalization*, 17 (4), pp. 491-513.
- Homburg, C. and Pflesser, C. (2000). *A multiple layer model of market oriented organizational culture: measurement issues and performance outcomes*. *Journal of Marketing Research*, 37, pp. 449- 462.
- Homburg, C., Müller, M. and Klarmann, M. (2011). *When should the customer really be king? On the optimum level of salesperson customer orientation in sales encounters*. *Journal of Marketing*, 75(March 2011), pp.55-74.
- Hotterbeekx, W. (2016). *The influence of Linguistic Diversity on Interregional Business Collaboration – The case of the Meuse-Rhine Euregion*. Open Universiteit NL. PhD Thesis.
- Husserl, E. (1960). *Cartesian Meditations: An Introduction to Phenomenology*, translated by Dorion Cairns. The Hague: Martinus Nijhoff.
- Iterson, v. A., Mastenbroek, W. and Soeters, J. (2001). *Civilizing and Informalizing: Organizations in an Eliasian context*. *Organization*, 8(3), pp. 497-514, DOI: 10.1177/13505840183003.
- Johannessen, S.O. (2009). *The complexity turn in studies of organisations and leadership: relevance and implications*. *International Journal of Learning and Change*, 3(3), pp. 214-229.
- Johannessen, S.O. (2013). *Against method: arguing the case for non-standard methodological differentiation in researching complexity in organization studies*. Conceptual paper Oslo and Akerhus University College of Applied Science, Oslo-Norway.
- Johannessen, S.O. (2017). *Strategies, Leadership and Complexity in Crisis and Emergency Operations*. Oxon: Routledge.
- Johannessen, S.O. and Stacey R.D. (2005). *Technology as social object A complex response processes perspective*. in: Stacey, R.D. (ed) (2005). *Experience Emergence in Organizations. Local interaction and the emergence of global pattern..* pp. 142-163. London: Routledge.
- Johannessen, S.O. and Aasen, T.M.B. (2007). *Exploring Innovation Processes from a Complexity Perspective – Part 1: Theoretical and Methodological Approach*. *International Journal of Learning and Change*, 2(4), pp. 420-433.
- Johannessen, S.O. and Kuhn, L. (2012). *Complexity in Organization Studies*. In: *Complexity in Organization Studies, Volume 1*, pp. xxi-xxiv, London: Sage.
- Kafle, N.P. (2011). *Hermeneutic phenomenological research method simplified*. *Bodhi: An Interdisciplinary Journal*, ISSN: 2091-0479, pp. 181-200.
- Kamp, van der, M. (2000). *Praktijkgericht kwalitatief onderzoek: problemen en perspectieven*. [Practice oriented qualitative research: problems and perspectives.] In: Wester, F., Smaling, A., and Mulder, L. (Eds). *Praktijkgericht kwalitatief onderzoek*. [Practice oriented qualitative research.] (173-188). Bussum: Coutinho.
- Keltner, D. (2016). *The Power Paradox*. London: Alen Lane.
- Kennedy, K.N.; Goolsby, J.R. and Arnoul, E.J. (2003). *Implementing a customer orientation*. *Journal of Marketing*, 67, pp. 67-81.

- Kessels, J., Broers, E., and Mostert, P. (2002). *Vrije Ruimte: Filosoferen in Organisaties* [Free Space: Philosophing in Organizations]. Amsterdam: Boom.
- Kleiner, A. (2003). *Who really matters, the core group theory of power, privilege and success*. New York: Doubleday.
- Kohler Riessman, C. (2008), *Narrative methods for the human sciences*. Thousand Oaks: Sage Publications Inc.
- Kotler, Ph. (1988). *Marketing Management – Analysis, Planning, Implementation and Control*. New Jersey: Prentice-Hall.
- Lai, C.S., Pai, D.C., Yang, C. F. and Lin, H. J. (2009). *The effects of market orientation on relationship learning and relationship performance in industrial marketing: the dyadic perspectives*. Journal of Industrial Marketing Management, 38, pp. 166-172.
- Larsen, H. (2005). *Risk and 'acting' into the unknown*. In: Stacey, R., Shaw, P. (eds.) *Experiencing risk, spontaneity and improvisation in organization change*, pp. 46-72, London: Routledge.
- Lewin R. and Regine B. (2000). *The Soul at Work. Unleashing the Power of Complexity Science for Business Success*. London: Orion Business Books.
- Lewis, R. (2005). *When cultures collide: Leading across cultures*. London: Hodder & Stoughton.
- Liao, H. and Subramony, M. (2008). *Employee Customer Orientation in Manufacturing Organizations: Joint influences of customer proximity and the senior leadership team*. Journal of Applied Psychology, 93(2), pp. 317-328.
- Llewellyn, S. (1999). Methodological Themes: *Narratives in accounting and management research*. Accounting, Auditing & Accountability Journal, 12 (2), pp. 220-236.
- Luoma, J. (2007). *Systems Thinking in Complex Responsive Processes and Systems Intelligence*. In: Hamalainen, R.P., Saarinen, E. (eds. 2007). *Systems Intelligence in Leadership and Everyday Life*, pp. 281-294, Systems Analysis Laboratory, Helsinki University of Technology, Espoo.
- Maanen, van J. (2006). *Ethnography Then and Now*. Qualitative Research in Organizations and Management: an International Journal, 1(1), pp. 13-21.
- MacIntosh, R. and MacLean, D. (2001). *Conditioned Emergence: researching change and changing research*. International Journal of Operations & Production Management, 21(2), pp. 1343-1357.
- MacIntosh, R., MacLean D., Stacey and R., Griffin, D. (2006). *Complexity and Organisation: Readings and Conversations*. London: Routledge.
- Maguire, B., McKelvey, B, Mirabeau, L. and Öztas, N. (2006). *Complexity Science and Organization Studies*. In: Glegg, S.R. Hardy, C., Lawrence, T., Nords, W.R. (Eds) *The Sage Handbook of Organization Studies*, pp. 165-214, London: Sage.
- Man de, H. (2011). *Chinese Filosofie als Spiegel voor Westerse Leiders. (Chinese Philosophy as Mirror for Western Leaders)*. Tijdschrift voor Organisatiekunde en Sociaal Beleid, 65(4), 104-116.
- Mastenbroek, W. (2004). *Verandermanagement [Change Management]*. Heemstede: Holland Business Publications.
- Mastenbroek, W. (2006). *Organizational Innovation in Historical Perspective*. Managementsite.com.
- Matsuno, K. and Mentzer, J.T. & Rentz, J.O. (2005). *A conceptual and empirical comparison of three market orientation scales*. Journal of Business Research, (58), pp. 1-8.
- McDaniel, R.R. and Driebe, D.J. (2001). *Complexity science and health care management*. Advances in Health Care Management, 2, pp. 11-36
- Mead, G.H. (1923). *Scientific method and the moral science*. International Journal of Ethics, 33(3), pp. 229-247.
- Mead, G.H. ([1934], 1962). *Mind, Self and Society from the standpoint of a Social Behaviorist*. London: University of Chicago Press Ltd.
- Mechinda, P. and Patterson, P.G. (2011). *The impact of service climate and service provider personality on employees' customer oriented behavior in a high-contact setting*. Journal of Services Marketing, 25 (2), pp. 322-341.
- Mintzberg, H. (1980). *Structures in 5'S A synthesis of the research on organization design*. Management Science, 26(3), pp 140-143.

- Mockus, A. (2002). *Co-existence as harmonization of law, morality and culture*. *Propects*, 32(1), pp. 19-37.
- Moen, J. and Ansems, P. (2004). *Brevet van Leiderschap [Certification of Leadership]*. Amsterdam: Reed Business.
- Moen, J. Ansems, P. and Hanse, J. (2000). *Leiden of lijden? Het handelingsrepertoire van een manager [Managing or suffering? A script for a manager]*. Assen: Koninklijke van Gorcum.
- Morris, J. and Pahladsingh, S. (2016). *The eight great Beacons of Cultural Awareness – Navigating the cultural landscape*. Zaltbommel: Thema.
- Moss Kanter, R. (1985). *Managing the human side of change*. *Management Review*. April.
- Mowles, C. (2011). *Rethinking management*. Farnham: Gower Publishing Limited.
- Narver, J.C. and Slater S.F. (1990) *The effect of a market orientation on business profitability*. *Journal of Marketing*, 54(4), pp. 20-35.
- Neghina, C. (2016). *Value cocreation in service interactions: a consumer perspective*. PhD Thesis, Open Universiteit Heerlen, NL.
- Nicolini, D. (2013). *Practice theory, work and organization: an introduction*. Oxford: Oxford University Press.
- Nicolis, G. and Prigogine, I. (1977). *Self-organisation in Non equilibrium Systems*. Vol. 19. New York: Wiley.
- Noble, C.H., Sinha, R.K. and Kumar, A. (2002). *Market Orientation and Alternative Strategic Orientations: A Longitudinal Assessment of Performance Implications*. *Journal of Marketing*, 66(10), p. 25-39.
- Nonaka, I. and Zhu, Z. (2012). *Pragmatic Strategy – Eastern wisdom, Global Success*. Cambridge: Cambridge University Press.
- Nonaka, I., Toyama, R. and Hirata, T. (2008). *Managing Flow: A Process Theory of the Knowledge-Based Firm*. New York: Palgrave MacMillan.
- Nonaka, I. and Takeuchi, H. (1995). *The Knowledge-Creating Company*. New York: Oxford University Press.
- Oeij (2017). *The resilient innovation team. A study of teams coping with critical incidents during innovation projects*. PhD Thesis, Open Universiteit Heerlen, NL.
- Pascale, R.T and Ahtos, A.G. (1982). *De Filosofie van het Japanse Management [The art of Japanese Management]*. Amsterdam: Omega Bock B.V.
- Peccei, R. and Rosenthal, P. (2000). *Frontline responses to customer orientation programmes: a theoretical and empirical analysis*. *International Journal of Human Resource Management*, 11(3). pp. 562-590.
- Pieterse, J. (2014). *Service Engineers in Change: Count your words. A case study into professional discourse and culture within three Dutch organizations*. PhD Thesis, Open Universiteit Heerlen.
- Polkinghorne, D.E. (2007). *Validity issues in narrative research*, *Qualitative inquiry*. X: 1-15.
- Pollner, M. (1991). *Left of Ethnomethodology: the Rise and Decline of Radical Reflexivity*. *American Sociological Review*, 56, pp. 370-380.
- Porter, M. (1985). *Competitive advantage*. New York: The Free Press.
- Prahalad, C.K. and Hamel, G. (1990). *The core competence of an organization*. *Harvard Business Review*, 68(3), pp. 79-92.
- Prahalad, C.K. and Ramaswamy, V. (2000). *Co-opting customer competence*, *Harvard Business Review*, Jan-feb, pp. 79-87.
- Prigogine, I. (1997). *The end of certainty: Time chaos and the new laws of nature*. New York: The Free Press.
- Prigogine, I and Stengers, I. (1984). *Order out of chaos: Man's new dialogue with nature*. New York: Bantam.
- Richardson, L. (2000). *New writing practices in qualitative research*. *Sociology of Sport Journal*, 17, pp. 5-20.
- Russell, B. (1938). *A new Social Analysis*. London: Allen and Unwin.
- Saarijärvi, H., Kuusela, H., Neilimo, K. and Närvänen, E. (2014). *Disentangling customer orientation - executive perspective*. *Business Process Management Journal*, 20(5), pp. 663-677.

- Sanders, S. (2015). *Unearthing the Moral Emotive Compass -Exploring the Paths to (Un)Ethical Leadership*. PhD Thesis, University of Groningen.
- Saunders, M., Lewis, P. and Thornhill, A. (2012). *Research methods for business students*. Harlow: Pearson Education Ltd.
- Saxe, R. and Weitz, B.A. (1982). *The SOCO scale: a measure of the customer orientation of salespeople*. Journal of Marketing Research, 19, pp. 343–351.
- Schlosser, F.K. and McNaughton, R.B. (2007). *Individual level antecedents of market-oriented actions*. Journal of Business Research, 60, pp. 438-446.
- Schneider, B.; White S.S.; Paul, M.C. (1998). *Linking service climate and customer perceptions of service quality: test of a causal model*. Journal of Applied Psychology, Vol 83 (2), 150-163.
- Scott, W.R. (2008). *Institutions and Organizations*, 3<sup>rd</sup> Edition. Thousand Oaks: Sage Publications.
- Schumpeter J.A. ([1934], 1982). *The theory of economic development: An inquiry into profits, capital, credit interest and the business cycle*. Transaction Publishers.
- Shah, D.; Rust, R.; Parsuarna, A; Staelin and R; Day; G.S. (2006). *The path to customer centricity*. Journal of Research Services, 9(2), pp. 113-124.
- Shaw, P. (2002). *Changing conversations*. Oxon: Routledge.
- Shenhar, A.J. and Dvir D. (2007). *Reinventing Project Management. The diamond approach to successful growth and innovation*. Boston MA: Harvard Business School Press.
- Shotter, J. (2005). *Inside the moment of Managing: Wittgenstein and the Everyday Dynamics of Our Expressive-Responsive Activities*. Organization Studies, 32, 113. DOI: 10.1177/0170840605049718.
- Silverman, D. (2013). *A very short, fairly interesting and reasonably cheap book about qualitative research*. London: Sage Publications Ltd.
- Simon, F. (2015). *Rumbling on performativity: The complex practice of policy development in a University of Applied Sciences*. PhD Thesis, Open Universiteit Heerlen, NL.
- Simon, F. (2017). *De Onderzoeker in een responsieve complexiteitsbenadering*. Tijdschrift Kwalon, 17, pp. 1-8.
- Sparkes, C. (2001). *Myth 94: Qualitative Health Researchers will agree about Validity*. Qualitative Health Research, 11(4), pp. 538-552.
- Stacey, R.D. (1995). *The Science of Complexity: An Alternative Perspective for Strategic Change Processes*. Strategic Management Journal, 16(6), pp. 477-495.
- Stacey, R.D., Griffin, D. and Shaw, P. (2000). *Complexity and Management – Fad or radical challenge to systems thinking?* Oxon: Routledge.
- Stacey, R.D. (2003). *Learning as an activity of interdependent people*. The learning organization, 10(6), pp. 325-331.
- Stacey, R.D. (2005). *Organizational identity: The paradox of continuity and potential transformation at the same time*, 29<sup>th</sup> S. H. Foulkes Annual Lecture.
- Stacey, R.D. and Griffin, D. (2005). *Method of Research: Master of Arts/Doctor of Management Program*, in: Stacey, R. and Griffin, D. (eds.). *A Complexity Perspective on Researching Organisations*. London: Routledge.
- Stacey, R.D. (2007). *The Challenge of Human Interdependence: Consequences for thinking about the day to day practice of management in organizations*, European Business Review, 119(4), 292-302.
- Stacey, R.D.; Griffin, D. (2008). *Complexity and the experience of values, conflict and compromise in organizations*. Oxon: Routledge.
- Stacey, R.D. (2010). *Complexity and Organisational Reality: Uncertainty and the need to re-think management after the Collapse of Investment Capitalism*. London: Routledge.
- Stacey, R.D. (2011). *Strategic Management and Organisational Dynamics – The challenge of complexity*, 6<sup>th</sup> edition. Essex: Pearson.
- Stacey, R.D. (2012). *Tools and Techniques of leadership and management*. Oxon: Routledge.
- Steevensz, J. (2016). *Customer Orientation: A social rich multifaceted complex phenomenon*. International Journal for Business and Globalisation, 17(4), pp. 572-581.
- Stock, R.M. and Hoyer, W.D. (2005). *An attitude-behavior model of sales people's customer orientation*. Journal of the Academy of Marketing Science, 33(4), 536-552.



- Stouten, J., van Dijke, M.H. and de Cremer, D. (2012). *Ethical leadership: an overview and future perspectives*. Journal of Personnel Psychology, 11(1), pp. 1-6.
- Terho, H., Eggert, A., Haas, A. and Ulaga, W. (2015). *How sales strategy translates into performance: the role of salespersons' customer orientation and value-based selling*. Industrial Marketing Management, 44(2), pp. 1-42.
- Thomas, G. (2010). *Doing case study research: abduction not induction, phronesis not theory*. Qualitative Inquiry, 16(7), pp. 575-582.
- Treacy, M. and Wiersema, F. (1995). *The discipline of market leaders*. Massachusetts: Addison Wesley.
- Tsoukas, H. (2003). Do we really understand tacit knowledge? Eds. Easterby-Smith, M., Lyles, M.A. *Handbook of Organization Learning and Knowledge*, pp. 410-427, Oxford: Blackwell.
- Tsoukas, H. (2009). *A Dialogical Approach to the Creation of New Knowledge in Organizations*. Organization Science, 20(6), pp. 941-957, DOI: 10.1287/orsc.1090.0435.
- Tsoukas, H. and Dooley, K.J. (2011). *Towards the Ecological Style: Embracing Complexity in Organizational Research*. Organization Studies, 32(6), pp. 729-735.
- Tuckman, B.W. (1965). *Developmental sequence in small groups*. Psychological Bulletin, 63, pp. 384-399.
- Tuominen, M.; Rajala, A. and Möller, K. (2004). *Market driving versus market driven: divergent roles of market orientation in business relationship*, Journal of Industrial Marketing Management, 33, pp. 207-217.
- Vargo, S.L. and Lush, R.F. (2004). *Evolving to a new dominant logic for marketing*. Journal of Marketing, 68, pp. 1-17.
- Verbeke, W.J. (2005). *Het verkopen van kennis [Selling knowledge]*. Pijnacker: Pearson Education Benelux.
- Verhoeff, A.A. (2011). *No Technical Innovation without Social Innovation: The Logic of Social Innovation in Market Oriented Firms*. PhD Thesis, Open Universiteit Heerlen, NL.
- Vermeulen, P. (2011): *De verankerde organisatie (The entrenched organization)*. Den Haag: Boom Lemma.
- Vlietland, J. (2015). *Improving the agility of IT service networks*. PhD Thesis, Vrije Universiteit Amsterdam, NL.
- Warwick, R. (2010). *The Experience of Policymaking in Healthcare: the Interaction of Policy Formulation and Frontline Staff Practice*. PhD thesis, University of Hertfordshire.
- Warwick, R. (2011). *Reflexivity – an innovative leadership research methodology and an ongoing means to develop personal effectiveness*. Beds.ac.uk, 1-25, Monograph, Working paper, School of Enterprise, Management and Leadership (SEMAL), University of Chichester.
- Weber, M. (2015). *Bureaucracy*. In: Waters T. and Waters D. (eds. and trans.). *Webers Rationalism and Modern Society*, pp. 73-127, New York: Palgrave MacMillan.
- Weick, K.E. (1974). *Amendments to organizational theorizing*. Academy of Management Review, 17(3), pp. 487-502.
- Weick, K.E. ([1979], 1995). *Sensemaking in Organisations*. London: Sage Publications.
- Weick, K.E. and Roberts, K.H. (1993). *Collective mind in organizations: Heedful interrelating on flight decks*. Administrative Science Quarterly, 38(3), pp. 357-381.
- Weggeman, M. (2007). *Leiding geven aan professionals? Niet doen! [Managing Professionals? Don't do it!]*. Schiedam: Scriptum.
- Wernerfelt, B. (1984). *A resource based view of the Firm*. Strategic Management Journal, 5, 171-180.
- Wernerfelt, B. (1995). *The resource based view of the Firm: Ten years after*. Strategic Management Journal, 16, pp. 171-174.
- Westerbeek, J. and Mutsaers, K. (2008). *Depression Narratives: How the self became a problem*, Literature and Medicine, 27(1), pp. 25-55.
- Wintzen, E. (2006). *Eckart's notes*. Eckart Wintzen in cooperation with Lemniscaat: Rotterdam, ISBN 978-90-5637-967-4.

- Zhu, Z. (2007). *Complexity Science, Systems Thinking and Pragmatic Sensibility*. Journal of Systems Research and Behavioral Science, 24, pp. 445-464, DOI: 10.1002/sres.846.
- Zuiderhoudt, R.W.L. (2016). *Reflections on an improved method of gaining scientific insights – why we should take uncertainties seriously*. International Journal of Business and Globalization, 17(4), pp. 468-490.

## Summary

The purpose of this study is to gain a deeper insight into the practical judgments people are making together in ongoing organizational life, when realizing complex innovative technical projects for customers, who are operating in technical environments and so enrich the understanding of how customer orientation emerges in an organization. A qualitative inquiry of everyday organizational life was performed, with the purpose to gain an understanding *why is it so difficult to develop and uphold a customer oriented practice in organizations and to explore what is needed to consider the position of the customer more important in the work we do?*

This thesis demonstrated that Customer Orientation is a social process shaped and formed by the complex interactions of human relating. A key argument is that customer orientation is a dynamic value, which continuously changes and continuously needs to be re-negotiated. This implies that if customer orientation is part of a company's values, every employee, including managers of a company should keep asking themselves over and over again how their work contributes to excellence in customer relations and revenue. This thesis demonstrates however that daily praxis in technical oriented organizations is very different. After having successfully received orders and after careful preparation and planning, the execution of customer related projects is subject to continuous change and adaptation, caused by the interrelating of all individuals, including managers, who are involved. Instead of a focus on the customer, during the course of a project a shift towards internal organizational matters and technical issues was noticed and consequently customer orientation faded away.

To uphold and improve customer orientation in an organization, I see an important role for the commercial (sales) person, who is able to act as the boundary spanner between a customer and the supplier organization. Boundary spanners are people who operate at the boundaries of their own organization and who are able to connect their own organization with the environment of their organization. Boundary spanning is a process driven by goals that the individual boundary spanner wants to achieve. In his role as boundary spanner, a commercial (sales) person is able to stimulate people from other departments to think and act in a more customer oriented way, so that the entire organization gradually becomes (more) customer oriented and consciously contributes to a satisfactory result. Boundary spanners should be aware that they often have no hierarchical control and that decision-making is based on consensus, equality and win-win situations. This means that sometimes a boundary spanner is leading, sometimes facilitating.

## Conceptualization of Customer Orientation

The notion of putting the customer first is often traced back to Drucker's (1954) statement that the purpose of a firm is to acquire and keep customers (Berthon, Hulbert and Pitt, 2002). The marketing concept holds that "the key to achieving organizational goals consists in determining the needs and wants of target markets and delivering the requirements more effectively and efficiently than competitors" (Kotler, 1988). Shah et al. (2006) define a customer centric orientation as aligning the activities and resources of an organization to effectively search for and respond to the ever-changing needs of the customer, while building mutually beneficial relationships. Gebauer, Gustafsson and Witell (2011) state that customer orientation, combined with innovativeness, embedded in market orientation favors ideas that more accurately satisfy the increasing complexity of customer demands.

Saarvijärvi, Neilimo and Närvänen (2014) mention two main benefits that derive from customer orientation: a greater likelihood of creating sustainable competitive advantage and the development of a distinctive and often difficult to imitate set of expertise.

The marketing concept states that if a business is to achieve profitability, the entire organization must be oriented towards satisfying customers' needs, wants and aspirations (Blankson, Motwani and Levenburg, 2006). This requires employees who embrace the importance of understanding and addressing customer needs and to align their everyday efforts with the ultimate goal of satisfying and retaining end-customers (Liao and Subramony, 2008). Customer oriented behavioral perspectives origin from the work of Saxe and Weitz (1982) who regard customer orientation as the manifestation of the marketing concept at the individual worker level. They defined customer orientation as the willingness of individuals, to customize their service delivery according to the customer's situation (e.g. needs, problems).

Beverland and Lindgreen (2007) argued that unless a certain attitude towards the marketing concept exists, behavioral initiatives towards a customer centric orientation will never emerge nor will these be effective. Matsuno, Mentzer and Rentz (2005) found that even if a promoting environment exists, corresponding behavior of employees does not necessarily take place. For example in my work as a sales manager I have to cooperate with engineers, purchasers, project managers and general management. For them serving customers is not a primary objective. In marketing literature it is recognized that all employees of an organization can be considered as internal customers. According to Conduit and Mavando (2001), every employee is both a supplier and a customer to other employees in the organization. They state that internal customers generate goods and services for the end customers and are thus crucial to providing customer satisfaction.

## Challenges to develop a customer oriented practice

From the preceding discussion it is difficult to draw straightforward conclusions from literature about the steps to take to improve customer orientation in a company. Johannessen (2009) points to a deficit of much of the management literature, which has proven to be of little practical relevance. According to Saarvijärvi, Neilimo and Närvänen (2014) literature on customer orientation has paid attention to important matters regarding the enablers of customer orientation, what it requires and how to align the organization accordingly. Gummesson, Kuusela and Närvänen (2014) conclude that methodology in social sciences including marketing is preoccupied with fragments and a few variables as well as a desire to establish unambiguous and unidirectional causal relationships. They suggest to focus on all stakeholders and as a consequence on complexity and higher-level theory generation. The move from a fragmented view of marketing to recognition of marketing complexity and diversity happens with the change from a single party focus (supplier) and a two-party focus (supplier/customer) to multi-party networks that take all actors into account.

This paradigm shift recognizes a change in supplier and customer roles to be a focal issue. Goods and services are replaced by value propositions in which customers assume an active role as co-creators. Customers' active role as co-creators of value and resource integrators is gradually being recognized in theory (Gummesson, Kuusela and Närvänen, 2014, page 231). Co-creation as a concept embraces the individual actions of suppliers, customers and other stakeholders and also the interactive relationships between them. In this way a supplier does things with customers and not to customers.

The finding of Gummesson, Kuusela and Närvänen (2014) is an important step towards a more practitioner-oriented research of customer orientation.

The whole body of literature linking employee customer oriented attitudes with desirable customer outcomes can be seen as lending support to the argument that customer orientation matters to organizations (Liao and Subramony, 2008). From literature as well as from my own experiences, it becomes however clear that it is difficult to develop and implement customer oriented thinking in organizations. To study the emergence of customer orientation in an organization, methods are required that are consonant with the continuous processes of mutual adaptation, mutual anticipation and meaning making that occurs when people have to work together to achieve things (Mowles, 2011, page 85). This study presents a perspective that acknowledges customer orientation as a social, rich, multifaceted and complex phenomenon.

## The nexus of Structure and Agency

So far we have seen that most of the studies about customer orientation are aimed at behavioral aspects of individuals or at aspects of organizational structure. Theories that argue for the preeminence of structure resolve that the behavior of individuals is largely determined by their socialization in that structure. In social science, agency is the capacity of individuals to act independently and to make their own free choices. In this view social structures are regarded as products of individual action that are sustained or discarded. The nexus of structure and agency has been a central tenet in the field of sociology.

Giddens (1984) developed his concept of structuration, where he argues that just as an individual's autonomy is influenced by structure, structures are maintained and adapted through the exercise of agency. Structuration theory takes the position that social action cannot be fully explained by the structure or agency theories alone. Instead, it recognizes that actors operate within the context of rules produced by social structures, and only by acting in a compliant manner are these structures reinforced. As a result, social structures have no inherent stability outside human action because they are socially constructed. Alternatively, through the exercise of reflexivity, agents modify social structures by acting outside the constraints the structures place on them.

Giddens' concept of structuration offers perspectives on human behavior based on a synthesis of structure and agency effects, known as the 'duality of structure.'

Dom (2005) concludes that although the empirical usefulness of Giddens structuration theory remains vague, structuration theory served as an example for a substantial amount of researchers. Giddens' (1984) structuration theory shows three parallels with the complex responsive processes perspective, which are to be found around the three kinds of structures he identified in a social system.

Complex responsive processes of relating, developed by Stacey, Griffin and Shaw (2000), is a perspective that draws on certain strands of thinking in sociology that stress human interdependence and regards individuals as social selves. Similar to Giddens' (1984) structuration theory the complex responsive processes perspective does not separate the individual and the social, which implies a non-dualistic stance.

Complexity theory formed one source of inspiration for the development of the complex responsive processes perspective. This theory studies complex systems that are characterized by strong (nonlinear) interactions between the parts as well as complex feedback loops that make it difficult to distinguish cause from effect. These characteristics result in researchers' inability to simply add up small-scale behavior to arrive at large-scale results (Costanza, Wainger, Folke and Mäler, 1993). The essence of complexity science is the study of patterns and relationships and the focus on how order can emerge from a complex dynamical system (McDaniel and Driebe, 2001). Stacey, Griffin and Shaw (2000) attempted to understand the analogy between complexity theory and social interaction in organizations and found this in the work of social psychologist Mead ([1934], 1962) and

Elias ([1939], 2000 and 1991). The work of Mead and Elias makes clear that local interactions are binding relationships between people and that there is a constant tension between (perception of) truth and identity of persons. The constantly changing power relations between people and emotions of people determine how situations in an organization will develop.

Over the years researchers transferred the insights from the complexity science to the social sciences and applied the insights to organizational studies, assuming that the human factor causing the complexity can be broken down into smaller bits that can be handled rationally. Abma (2011) points to differences between complex systems in the social domain and in the world of physics. In the physical world, complex systems are limited, strongly integrated and visibly connected, whereas complex systems in the social domain are much more open with respect to their environment. The latter makes complex systems in the social domain less suited for a reductionist analysis as complex systems in the world of physics. Abma (2011) and Johannessen (2009) both point to the central importance of emergence or self-organization in which irreversibility and novelty can be explained, without falling back on reductionist and control-oriented approaches.

### **Performing Research from a Complex Responsive Processes perspective**

Doing research from the complex responsive processes perspective, means understanding an organization as a “participative exploration of experience” (Stacey, 2010). This implies that the researcher cannot step outside the interaction with others. Change and organizational development are not conceptualized as a result of management plans or organizational blueprints outside of the interacting members of the organization (Mowles, 2011).

The importance of local interactive sense making in everyday experience is shared with auto ethnography, phenomenology, symbolic interaction and discourse analysis (Homan, 2016). What these different ontologies have in common is that a duality between the individual and the social is still recognizable, while the complex responsive processes perspective does not separate the individual and the social, which implies a non-dualistic stance. Saunders, Lewis and Thornhill (2012) characterize the complex responsive processes perspective as a subjective ontology, which has far reaching consequences for the way reliability as well as the external and internal validity of the research is established.

To perform a study from the complex responsive processes perspective, situations at work are described in the form of narratives. These are a description of personal experiences of my own daily working practice that forms the inquiry of raw data from which patterns and themes emerge for further reflection and research. During this participative exploration of experience, where the researcher cannot step outside the

interaction with others, particular knowledge about human social action was gathered from the relating with other people and through the thinking and reflection on three narratives.

The unit of analysis in the complex responsive processes approach is the experience of interacting with others in social settings. Here the concept of complexity is used as a fundamental attribute of the quality of the interaction of interdependent persons (Stacey, 2003). This implies that the insights of the research arise in the researcher's reflection on the micro detail of the researcher's own experience of interacting with others (Warwick, 2011).

Thomas (2010) described how this way of doing research leans towards *phronesis* or practical wisdom. One can learn the principles of action, but applying them in situations one could not have foreseen requires practical wisdom.

## **Implications**

The aim of many studies about customer orientation is to provide an objective description to a problem whereby the researchers are detached observers. In order to improve our insights Gummesson, Kuusela and Närvänen (2014) recommend the use of participant observation. A difficulty however for people in organizations is their paradoxical role, while they are part of an organization and therefore cannot be detached observers (Zhu, 2007). Narrative studies offer the researcher an opportunity to be part of the field of research.

A core element of the complex responsive processes approach is personal reflection on the everyday experience of organizational practice. Purpose of this reflection process is to discover in literature where the current way of thinking from the researcher comes from, how it is argued and how the way of thinking connects to the experiences of the researcher as a professional (Mowles, 2011).

Taking reflexivity as a point of departure for research is not without consequences. Within social sciences reflexive research represents a breach with modernistic scientific presumptions of objective observation. Reflection alone cannot qualify as research, because of the need for scientific facts. But what is a scientific fact? Fleck ([1935], 1979) stated that scientific facts are supposed to be distinguished from transient theories as something definite, permanent and independent from any subjective interpretation by the scientist. Fleck explains that the critique of the methods used to establish this, constitutes the subject matter of epistemology, but at the same time he also argues that the appearance of scientific facts as discovered things is in itself a social construction: a made thing.



Polkinghorne (2007) proposes that validating knowledge in narrative research is an argumentative practice. The purpose of the validation process in narrative research is to convince readers of the likelihood that the support for the claim is strong enough that the claim can serve as a basis for understanding of and action in the human realm. Narrative research issues claims about how people understand situations, others, and themselves (Polkinghorne, 2007). It is therefore mandatory for a researcher to be as much as possible explicit about his values and beliefs, and to describe the analyses and reflections made during the research process (Simon, 2015).

Sparkes (2001) elaborated on the concept of validity and he presented four perspectives: replication, parallel, diversification and “letting go”. Each of these perspectives has its own criteria for validity, a different position of the researcher and difference in method. Within the diversification of meaning perspective of Sparkes (2001), validity can be considered as a process validation, because emphasis is placed on interaction, negotiation, reflection, consensus and embedding in the original (working) situation, while at the same time acknowledging the autobiographical fundament of experience and understanding.

## **Outcomes**

In this research I focused on an understanding in action, which is quite distinct from the kind of cognitive and intellectual understanding that dominates organizational studies. Participation in the many local interactions led to what Shotter (2005) named an understanding from within and this gives insight into the dynamics of how employees are working together to fulfill the requirements of a customer. This enabled me to discover the prerequisites and obstacles for a customer oriented practice, i.e. how customer orientation emerges in ordinary daily organizational life, where different persons from different departments are working together to fulfill the requirements of a customer and where the customer has an active role as co-creator. The study made clear that customer orientation is not just a matter of the people working in a commercial department of an organization, but has to do with the interplay of intentions, identities of the people, which are related to the group (department) they belong to, power relations and the role of management. All of these factors point to the quality of the communicative interaction between the persons involved when serving a customer.

In a participative exploration of experience, where the researcher cannot step outside the interaction with others, particular knowledge about human social action was gathered from the relating with other people and through the thinking and reflection on three narratives. Participative approaches rule out conventional interpretive positions that imagine the enquirer taking a neutral or objective stance on the question and the situation under study. Studying customer orientation from a complex responsive processes approach is according to Agar (2013) a ‘lively science’, while the researcher is in constant

interaction with other agents. Staying close to the original experience as described in the narratives allows reflective research to be a vehicle to gather new insights about human social action (Homan, 2016). In line with what Johannessen (2013) stated, we see that time, process and agency are methodological differentiators suitable for a discussion on one's own position and thinking on knowledge creation and research when complexity is the issue of interest in organizational studies.

According to Donaldson (2013), reflecting on what has happened can be a good way of learning from experience, tracing the effects of a particular investment and/or acknowledging the contribution people have made. Her experience is that narrative accounts contribute to organizational learning, as well as help to further understand organizational change as it really happens. Stacey (2012) argues that reflexive narrative methods turn out to be helpful developing a better understanding of one's own actions, especially when these reflections can be shared with others and are open for debate.

Providing 'concrete solutions' is contradictory to the basic thoughts of the complex responsive processes perspective, because the perspective deals with how a person is looking at his or her unique practice, in different social environments. Instead of looking for solutions, I explored the theme 'what is it that we are doing together in a customer-supplier journey?' While doing this I described my experiences in such a way that the reader can relate to these experiences and draw conclusions, based on the readers own experiences, creating the possibility for the reader to develop new insights that may help him/her in moving on in his/her own context.

In this thesis we see that the best orientation on the customer emerged when the supplier company understood what problem the customer wanted to solve with a conceptual idea. The supplier not only delivered the product, but the product design was such that it solved the customers' problem in particular. The customer was prepared to pay more for such an a solution. We see here the importance of value proposition to customers, whereby individual customers are considered to be self-determining: they are authors of their own actions. This view has been refined by Grönroos (2012), who distinguishes between *customer value creation* - which relies on the activities of customers as economic actors - and *value co-creation* - which requires the interaction of two or more economic actors (customer and supplier). Furthermore we see throughout this thesis the importance of a basic principle of the marketing concept, as postulated by Drucker (1954), who stated that 'the purpose of a business is to create (and keep) customers'. If people in technical oriented organizations put less focus on their own organizational matters lik e.g. developing a technical superior solution and emphasize more on customer needs and the corresponding value propositions, there is potentially a lot to gain in terms of possibilities for improvement of revenue.

# Nederlandse Samenvatting

## Uitdagingen om klantgerichtheid te ontwikkelen in technisch georiënteerde organisaties

Een studie naar een sociaal rijk, veelzijdig en complex fenomeen

Het doel van deze studie is om een dieper inzicht te krijgen in de praktische oordelen/besluiten die samenwerkende mensen nemen in organisaties, bij het realiseren van complexe innovatieve technische projecten voor klanten. Op deze manier wil ik beter begrijpen hoe klantgerichtheid ontstaat in technisch georiënteerde organisaties. Daartoe werd een kwalitatief onderzoek van het dagelijks leven in verschillende organisaties uitgevoerd, met als doel inzicht te krijgen in *waarom het zo moeilijk is om een klantgerichte praktijk in organisaties te ontwikkelen en te handhaven? Tevens werd onderzocht wat er nodig is om de positie van de klant belangrijker te vinden in het werk dat we doen?*

Dit onderzoek laat zien dat klantgerichtheid een social process is dat wordt gevormd door complexe interactie patronen tussen mensen. Een belangrijke uitkomst van deze studie is dat blijkt dat klantgerichtheid een dynamische waarde is, die voortdurend verandert en voortdurend moet worden heronderhandeld. Dit impliceert dat als klantgerichtheid deel uitmaakt van de waarden van een bedrijf, elke medewerker, inclusief de leidinggevendenden van een bedrijf, zich steeds opnieuw moeten afvragen hoe het werk bijdraagt aan excellentie in klantenrelaties en -inkomsten. Dit proefschrift maakt echter duidelijk dat de dagelijkse praktijk in technisch georiënteerde organisaties heel anders is. Na het succesvol acquireren van opdrachten en na zorgvuldige voorbereiding en planning, blijkt uit deze studie dat de uitvoering van klant gerelateerde projecten onderhevig is aan voortdurende verandering en aanpassing, veroorzaakt door de onderlinge relatie van alle betrokken individuen, inclusief die van leidinggevendenden. In plaats van een focus op de klant, zien we in de loop van een project een verschuiving naar interne organisatorische zaken en technische problemen, met als gevolg dat klantgerichtheid vervaagt.

Om de klantgerichtheid in een organisatie te behouden en te verbeteren, zie ik een belangrijke rol weggelegd voor de commerciële (verkoop) persoon, die fungeert als de bruggenbouwer (boundary spanner) tussen een klant en de leveranciersorganisatie. Boundary spanners zijn personen die aan de grenzen van de eigen organisatie opereren en de eigen organisatie kunnen verbinden met haar omgeving. Boundary spanning is een proces dat gedreven wordt door doelen die een individu werkend op de grens van een

organisatie (verkoop, boundary spanner) wil behalen. De commerciële persoon in zijn rol als boundary spanner kan mensen van andere afdelingen stimuleren om klantgericht te denken en te handelen, zodat de gehele organisatie (meer) klantgericht wordt en bewust bijdraagt aan een bevredigend resultaat. Boundary spanners dienen zich er van bewust te zijn dat ze vaak geen hiërarchische zeggenschap hebben en dat besluitvorming dus gebaseerd is op consensus, gelijkwaardigheid en win-win situaties. Zo zal een boundary spanner de ene keer leidend zijn en soms faciliterend.

## **Conceptualisatie van Klantgerichtheid**

Het idee om het belang van de klant voorop te stellen, is terug te voeren op Drucker (1954), die al schreef dat een bedrijf tot doel heeft klanten te werven en te behouden (Berthon, Hulbert en Pitt, 2002). Het marketingconcept stelt dat "de sleutel tot het behalen van organisatiedoelstellingen bestaat uit het bepalen van de behoeften en wensen van doelmarkten en het effectiever en efficiënter leveren van de vereisten dan concurrenten" (Kotler, 1988). Shah et al. (2006) definiëren een klantgerichte oriëntatie als het afstemmen van de activiteiten en middelen van een organisatie om effectief te zoeken naar en te reageren op de steeds veranderende behoeften van de klant, terwijl ze wederzijds voordelige relaties opbouwen. Gebauer, Gustafsson en Witell (2011) stellen dat klantgerichtheid, in combinatie met innovativiteit, ingebed in marktorientatie, ideeën bevordert die beter beantwoorden aan de toenemende complexiteit van de eisen van klanten.

Saarvijärvi, Neilimo en Närvänen (2014) noemen twee belangrijke voordelen die voortvloeien uit klantgerichtheid: een grotere kans op het creëren van duurzaam concurrentievoordeel en de ontwikkeling van een onderscheidende en vaak moeilijk te imiteren set van expertise.

Het marketingconcept stelt dat als een bedrijf winst wil behalen, de hele organisatie gericht moet zijn op het voldoen aan de behoeften, wensen en ambities van klanten (Blankson, Motwani en Levenburg, 2006). Dit vereist medewerkers die het belang van begrip en behoeften van de klant omarmen en hun dagelijkse inspanningen afstemmen op het tevredenstellen en behouden van eindklanten (Liao en Subramony, 2008). Saxe en Weitz (1982) hebben baanbrekend onderzoek gedaan naar klantgerichte gedragsperspectieven en zij beschouwen deze als de manifestatie van het marketingconcept op individueel niveau. Zij definieerden klantgerichtheid als de bereidheid van individuen om hun dienstverlening af te stemmen op de situatie van de klant (bijvoorbeeld behoeften, problemen).

Beverland en Lindgreen (2007) voerden echter aan dat, tenzij er een bepaalde (positieve) houding ten opzichte van het marketingconcept bestaat, gedragsinitiatieven gericht op klantgerichte oriëntatie nooit zullen optreden en deze ook niet effectief zullen zijn. Matsuno, Mentzer en Rentz (2005) vonden dat zelfs als er een stimulerende omgeving

bestaat, het vereiste klantgerichte gedrag van werknemers niet noodzakelijkerwijs plaatsvindt. In mijn werk als verkoper moet ik bijvoorbeeld samenwerken met ingenieurs, inkopers, projectmanagers en algemeen management. Voor hen is het bedienen van klanten geen primaire doelstelling. In de marketingliteratuur wordt echter erkend dat alle werknemers van een organisatie als interne klanten dienen te worden beschouwd. Volgens Conduit en Mavando (2001) is elke medewerker zowel een leverancier als een klant voor andere werknemers in de organisatie. Zij stellen dat interne klanten goederen en diensten voor de eindklanten genereren en daarom zijn ze cruciaal voor het uiteindelijke gevoel van klanttevredenheid.

### **Uitdagingen om een klantgerichte praktijk te ontwikkelen**

Uit de voorgaande discussie blijkt dat het moeilijk is om conclusies uit de literatuur te trekken over de te nemen stappen om de klantgerichtheid in een bedrijf te verbeteren. Johannessen (2009) wijst op een tekort aan veel van de managementliteratuur, die van weinig praktische relevantie is gebleken. Volgens Saarvijärvi, Neilimo en Närvänen (2014) is in studies naar klantgerichtheid aandacht besteed aan belangrijke zaken met betrekking tot de mogelijkheden voor klantgerichtheid, wat het vereist en hoe de organisatie daarop moet worden afgestemd. Gummesson, Kuusela en Närvänen (2014) concluderen dat de methodologie in de sociale wetenschappen, inclusief marketing, zich bezighoudt met fragmenten en slechts enkele variabelen, met als doel het vastleggen van eenduidige causale relaties. Zij stellen voor om bij toekomstige studies te concentreren op alle belanghebbenden, met als een consequentie een focus op complexiteit en het genereren van hoger (ander) niveau van theorie. De overstap van een gefragmenteerde visie op marketing naar erkenning van marketingcomplexiteit en -diversiteit gebeurt met de verandering van een enkele partijfocus (leverancier) en een tweepartijfocus (leverancier / klant) naar meerpartijen netwerken, waarbij rekening gehouden wordt met alle (markt)spelers.

Deze verschuiving van het paradigma erkent een verandering in de rollen van leveranciers en klanten als een centraal probleem. Goederen en diensten worden vervangen door waarde proposities, waarin klanten een actieve rol als co-creators aannemen. De actieve rol van klanten als mede-ontwikkelaars van waarde- en kennisintegratoren wordt geleidelijk erkend in theorie (Gummesson, Kuusela en Närvänen, 2014, pagina 231). Co-creatie als concept behelst de individuele acties van leveranciers, klanten en andere belanghebbenden en ook de interactieve relaties daartussen. Op deze manier doet een leverancier samen dingen met klanten en is er geen sprake meer van eenrichtingsverkeer van leverancier naar klant.

De bevindingen van Gummesson, Kuusela en Närvänen (2014) zijn voor deze studie een belangrijke stap naar een meer praktijkgericht onderzoek naar klantgerichtheid.

Alle literatuur die de klantgerichte houding van werknemers koppelt aan wenselijke

klantresultaten, kan worden gezien als steun voor het argument dat klantgerichtheid van belang is voor organisaties (Liao en Subramony, 2008). Zowel uit de literatuur als uit mijn eigen werkervaring, wordt het echter duidelijk dat het moeilijk is om klantgericht denken in organisaties te ontwikkelen en implementeren. Om de totstandkoming van klantgerichtheid in een organisatie te bestuderen, zijn methoden nodig die passen in de continue processen van wederzijdse aanpassing, wederzijdse anticipatie en betekenisgeving die plaatsvindt wanneer mensen moeten samenwerken om dingen te bereiken (Mowles, 2011, pagina 85). Deze studie presenteert een perspectief dat klantgerichtheid erkent als een sociaal rijk, veelzijdig en complex fenomeen.

## **Het verband tussen structuur van en het individu in een organisatie**

De meeste onderzoeken naar klantgerichtheid zijn gericht op gedragsaspecten van individuen of aspecten van de organisatiestructuur. Theorieën die pleiten voor de preëminentie van structuur stellen dat het gedrag van individuen grotendeels bepaald wordt door hun socialisatie in die structuur. In de sociale wetenschappen is 'agency' het vermogen van individuen om onafhankelijk te handelen en hun eigen vrije keuzes te maken. In deze visie worden sociale structuren beschouwd als producten van individuele actie die worden ondersteund of verworpen.

Het verband tussen structuur en individu (agency) wordt in de sociologie al langer onderzocht. Giddens (1984) ontwikkelde zijn concept van 'structurering', waarbij hij betoogt dat de autonomie van een individu wordt beïnvloed door de structuur en dat structuren worden onderhouden en aangepast door individuen. De structuratietheorie van Giddens stelt zich op het standpunt dat sociale actie niet volledig kan worden verklaard door de structuur of agency-theorieën alleen. In plaats daarvan erkent deze theorie dat actoren werken binnen de context van regels die door sociale structuren worden geproduceerd, en alleen door op een inschikkelijke manier te handelen worden deze structuren versterkt. Als gevolg hiervan hebben sociale structuren geen inherente stabiliteit buiten het menselijk handelen, omdat ze sociaal geconstrueerd zijn. Daarbij komt dat individuen bestaande sociale structuren veranderen door o.a. reflectie en door buiten de beperkingen te treden die de structuren hen opleggen. Aldus biedt de structuratietheorie van Giddens (1984) perspectieven om menselijk gedrag te bestuderen op basis van een synthese van structuur- en agency-effecten, wat ook wel de 'dualiteit van structuur' wordt genoemd.

Dom (2005) concludeert echter dat, hoewel de empirische bruikbaarheid van de Giddens' structuratietheorie vaag blijft, deze theorie als voorbeeld diende voor een aanzienlijk aantal onderzoekers. Giddens' structuratietheorie toont drie parallellen met de complex responsieve proces benadering, die te vinden zijn rond de drie soorten structuren die hij identificeerde in een sociaal systeem.

De complex responsieve proces benadering, ontwikkeld door Stacey, Griffin en Shaw (2000), is een perspectief dat put uit denkrichtingen in de sociologie, die de onderlinge menselijke afhankelijkheid benadrukken en individuen als sociaal zelf beschouwen. Vergelijkbaar met de structuratietheorie van Giddens (1984), scheidt de complexe responsieve proces benadering het individu en het sociale niet, wat een niet-dualistische houding impliceert.

Complexiteitstheorie was een van de inspiratiebronnen voor de ontwikkeling van de complex responsieve proces benadering. Deze theorie bestudeert systemen die worden gekenmerkt door sterke (niet-lineaire) interacties tussen de verschillende onderdelen en door feedbackloops die het moeilijk maken om oorzaak te onderscheiden van effect. Deze kenmerken resulteren in het onvermogen van onderzoekers om simpelweg kleinschalig gedrag bij elkaar op te tellen om tot een overkoepelend resultaat te komen (Costanza, Wainger, Folke en Mäler, 1993). De essentie van complexiteitswetenschap is de studie van patronen en relaties en de focus op hoe orde kan voortkomen uit een complex dynamisch systeem (McDaniel en Driebe, 2001). Stacey, Griffin en Shaw (2000) probeerden de analogie tussen complexiteitstheorie en sociale interactie in organisaties te begrijpen en vonden dit in het werk van sociaal psycholoog Mead ([1934], 1962) en Elias ([1939], 2000 en 1991). Het werk van Mead en Elias maakt duidelijk dat lokale interacties bindende relaties tussen mensen zijn en dat er een constante spanning is tussen (perceptie van) waarheid en identiteit van personen. De voortdurend veranderende machtsverhoudingen tussen mensen en emoties van mensen bepalen hoe situaties zich in een organisatie zullen ontwikkelen.

In de afgelopen jaren hebben onderzoekers de inzichten van de complexiteitswetenschap gebruikt in de sociale wetenschappen en toegepast op organisaties, ervan uitgaande dat de menselijke factor die de complexiteit veroorzaakt, kan worden opgesplitst in kleinere stukjes die rationeel kunnen worden afgehandeld. Abma (2011) wijst op verschillen tussen complexe systemen in het sociale domein en in de wereld van de fysica. In de wereld van de fysica zijn complexe systemen doorgaans beperkt; een fenomeen kan vaak geïsoleerd bestudeerd worden. Tevens zijn de complexe systemen in de wereld van de fysica sterk geïntegreerd en zichtbaar verbonden, terwijl complexe systemen in het sociale domein veel opener zijn met betrekking tot hun omgeving. De laatste maakt complexe systemen in het sociale domein minder geschikt voor een reductionistische analyse als complexe systemen in de wereld van de fysica. Abma (2011) en Johannessen (2009) wijzen in dit verband op het belang van zelforganisatie, van waaruit onomkeerbaarheid en vernieuwing kunnen worden verklaard, zonder terug te vallen op reductionistische en op controle gerichte benaderingen.

## Onderzoek vanuit de complex responsieve proces benadering

Onderzoek doen vanuit de complex responsieve proces benadering, betekent dat een organisatie begrepen moet worden als een "participatieve verkenning van ervaring" (Stacey, 2010). Dit houdt in dat de onderzoeker niet buiten de interactie met anderen kan treden. Verandering en organisatieontwikkeling worden in deze benadering niet geconceptualiseerd als een resultaat van managementplannen of organisatorische blauwdrukken; er wordt alleen gekeken naar de interacties van de samenwerkende leden van de organisatie (Mowles, 2011).

Het belang van lokale interactieve zingeving in de alledaagse ervaring wordt gedeeld met auto-etnografie, fenomenologie, symbolische interactie en discoursanalyse (Homan, 2016). Wat deze verschillende onthologieën gemeen hebben, is dat een dualiteit tussen het individu en het sociale nog steeds herkenbaar is, terwijl de complex responsieve proces benadering het individu en het sociale niet scheidt, wat een niet-dualistische houding impliceert. Saunders, Lewis en Thornhill (2012) karakteriseren de complex responsieve proces benadering als een subjectieve ontologie, wat verstrekkende gevolgen heeft voor de manier waarop betrouwbaarheid en de externe en interne validiteit van het onderzoek worden vastgesteld.

Om een studie met behulp van de complex responsieve procesbenadering uit te voeren, worden situaties op het werk beschreven in de vorm van narratieven. Dit zijn beschrijvingen van persoonlijke ervaringen uit mijn eigen dagelijkse werkpraktijk en deze vormen de basis van het onderzoek.

De narratieven zijn de onbewerkte gegevens, waaruit patronen en thema's naar voren komen voor verdere reflectie en onderzoek. Tijdens deze participatieve verkenning van ervaringen, waarbij de onderzoeker niet buiten de interactie met anderen kan treden, wordt specifieke kennis over menselijke sociale (inter)actie verzameld doordat de onderzoeker deel uit maakt van het te onderzoeken domein en dus deel uit maakt van de onderling afhankelijke relaties met andere personen, alsmede door het nadenken en reflecteren over de narratieven.

De eenheid van analyse in de complex responsieve proces benadering is de ervaring van interactie met anderen in de sociale settingen, zoals beschreven in de narratieven. Het concept van complexiteit wordt hierbij gebruikt als een fundamenteel kenmerk van de kwaliteit van de interactie tussen onderling afhankelijke personen (Stacey, 2003). Dit impliceert dat de inzichten van dit type onderzoek ontstaan tijdens het reflectie proces van de onderzoeker en wel in dat deel wat betrekking heeft op het micro-detail van de eigen ervaring van de onderzoeker in de omgang met anderen (Warwick, 2011).

Thomas (2010) beschrijft hoe deze manier van onderzoek doen neigt naar phronesis, een begrip uit de Aristotelische filosofische traditie. Phronesis wordt omschreven als praktische wijsheid en daarmee wordt bedoeld dat de principes van actie aangeleerd



kunnen worden, maar deze kennis toepassen in situaties die niet voorzien hadden kunnen worden, vereist praktische wijsheid.

## **Implicaties van deze studie**

Het doel van veel studies over klantgerichtheid is om een objectieve beschrijving te geven van een probleem waarbij de onderzoekers onafhankelijke waarnemers zijn. Dat wil zeggen dat zij geen deel uitmaken van de te onderzoeken organisatie. Om het inzicht in klantgerichtheid te verbeteren, bevelen Gummesson, Kuusela en Närvänen (2014) het gebruik van deelnemer observatie aan. Een moeilijkheid hierbij is de paradoxale rol van werknemers en managers; zij maken immers deel uit van de organisatie en kunnen geen onafhankelijke waarnemer zijn volgens Zhu (2007). Narratieve studies bieden een onderzoeker echter de mogelijkheid om deel uit te maken van het onderzoeksgebied.

Een kernelement van de complex responsieve proces benadering is de persoonlijke reflectie op de dagelijkse ervaring van de eigen organisatiepraktijk. Doel van dit reflectieproces is om in de literatuur te ontdekken waar de huidige manier van denken van de onderzoeker vandaan komt, hoe deze wordt beargumenteerd en hoe de manier van denken aansluit op de ervaringen van de onderzoeker als professional (Mowles, 2011).

Binnen de sociale wetenschappen betekent reflexief onderzoek een breuk met modernistische wetenschappelijke veronderstellingen van objectieve waarneming. Reflectie alleen kan niet gebruikt worden om onderzoek te kwalificeren, vanwege de noodzaak aan wetenschappelijke feiten. Maar wat is nu een wetenschappelijk feit? Volgens Fleck ([1935], 1979) zijn wetenschappelijke feiten definitief, permanent en onafhankelijk van enige subjectieve interpretatie door de onderzoeker. Wetenschappelijk feiten gaan hierbij voorbij aan transient theorieën. De kritiek op de methoden die worden gebruikt om dit vast te stellen, vormt het onderwerp van de epistemologie (Fleck, [1935], 1979). Tegelijkertijd betoogt Fleck dat wetenschappelijke feiten als ontdekte dingen op zich een sociale constructie zijn: iets wat tot stand gekomen is en waarvan gedacht wordt dat het de werkelijkheid is.

Volgens Polkinghorne (2007) is het valideren van kennis in narratief onderzoek een argumentatieve praktijk. Hij legt uit dat het doel van het validatieproces in narratief onderzoek is, om lezers te overtuigen van de waarschijnlijkheid dat de ondersteuning voor een argument sterk genoeg is, zodanig dat het argument kan dienen als basis voor begrip van en actie in het menselijk sociale domein. Narratief onderzoek doet, volgens Polkinghorne (2007), uitspraken over hoe mensen situaties, anderen en zichzelf begrijpen. Dit betekent dat een onderzoeker tijdens het onderzoeksproces de analyses en reflecties dient te beschrijven en daarbij zo veel mogelijk expliciet te zijn over zijn/haar waarden en overtuigingen (Simon, 2015).

Sparkes (2001) heeft het concept van validiteit verder onderzocht en presenteerde vier perspectieven: replicatie, parallel, diversificatie en vrijgegeven. Elk perspectief omvat eigen validiteitscriteria, een andere positie voor de onderzoeker en verschillen in methodische aanpak. Binnen het diversificatie perspectief van Sparkes (2001), wordt validiteit beschouwd als een procesvalidatie, omdat de nadruk wordt gelegd op interactie, onderhandeling, reflectie, consensus en inbedding in de originele (werk) situatie, terwijl tegelijkertijd het autobiografisch fundament van ervaring en begrip wordt erkend. De complex responsieve benadering past in het diversificatie perspectief van Sparkes (2001).

## Resultaten

In dit onderzoek heb ik me geconcentreerd op het begrijpen van wat er al dan niet gedaan wordt door de mensen in een organisatie in relatie tot de omgang met klanten. Deze aanpak verschilt behoorlijk van het soort cognitief en intellectueel begrip dat organisatie studies domineert. Deelname aan de vele lokale interacties leidde tot wat Shotter (2005) een 'begrip van binnenuit' de organisatie en dit geeft inzicht in de dynamiek van of en hoe medewerkers op een klantgerichte manier werken. Hierdoor kon ik de vereisten en obstakels voor een klantgerichte praktijk ontdekken en beschrijven hoe klantgerichtheid ontstaat in het dagelijkse leven van de organisatie, waarbij verschillende personen van verschillende afdelingen samen moeten werken om te voldoen aan de wensen van een klant en waar de klant een actieve rol heeft als co-creator. Dit onderzoek maakte duidelijk dat klantgerichtheid niet alleen een kwestie is voor de mensen die op een commerciële afdeling van een organisatie werken.

Het bestuderen van klantgerichtheid vanuit een complex responsieve procesbenadering is volgens Agar (2013) een 'levendige wetenschap', omdat de onderzoeker voortdurend in interactie is met andere personen. Door dicht bij de oorspronkelijke ervaring te blijven, zoals beschreven in de narratieven, kan reflecterend onderzoek een middel zijn om nieuwe inzichten te verzamelen over menselijke sociale actie (Homan, 2016). In overeenstemming met wat Johannessen (2013) stelt, zien we in deze studie dat tijd, proces en keuzevrijheid van individuen methodologische differentiators zijn, die geschikt zijn voor een discussie over de eigen positie en het denken over kenniscreatie en onderzoek wanneer organisaties bestudeerd worden met behulp van complexiteitstheorie.

De ontwikkeling van mijn denkpatronen die ontstonden tijdens het reflectie proces, hebben tot een dieper inzicht geleid in de praktische oordelen die in het dagelijkse organisatieleven gemaakt worden. Volgens Donaldson (2013) kan een dergelijk reflectie proces een goede manier zijn om van ervaringen te leren, de effecten van een bepaalde investering te duiden en/of de bijdrage die mensen hebben geleverd te erkennen. Haar ervaring is dat narratief onderzoek bijdraagt aan het lerende element van organisaties, en tevens helpt om organisatie veranderingen te begrijpen op het moment dat deze

veranderingen gaande zijn. Stacey (2012) betoogt dat reflexief narratief onderzoek zinvol is om een beter begrip van de eigen acties te ontwikkelen, vooral wanneer deze reflecties met anderen kunnen worden gedeeld en deze anderen openstaan voor discussie.

Het aanbieden van 'concrete oplossingen' is in tegenspraak met de basisgedachten van het complexe responsieve processenperspectief, omdat dit perspectief betrekking heeft op hoe een persoon naar zijn of haar unieke praktijk kijkt, in verschillende sociale omgevingen. In plaats van naar oplossingen te zoeken, onderzocht ik het thema 'wat is het dat we samen doen tijdens een klant-leverancier reis?' Een nauwkeurige beschrijving van dit leerproces van mij als onderzoeker maakt het voor de lezers mogelijk om conclusies te trekken en beoordelingen te maken, gebaseerd op de eigen ervaringen van de lezer. Hierdoor krijgt de lezer de mogelijkheid om nieuwe inzichten te ontwikkelen die hem/haar verder kunnen helpen in zijn/haar eigen context.

In deze studie zien we dat de beste oriëntatie op de klant ontstond toen de leverancier begreep welk probleem de klant wilde oplossen met een conceptueel idee. De leverancier heeft vervolgens niet alleen het product geleverd, maar het productontwerp was ook zodanig dat met name het probleem van de klant werd opgelost. De klant was bereid meer te betalen voor een dergelijke oplossing. Hier zien we het belang van een goede waardepropositie voor klanten. Individuele klanten zijn meer en meer zelfbepalend: zij zijn auteurs van hun eigen acties. Deze opvatting is verfijnd door Grönroos (2012), die een onderscheid maakt tussen het creëren van klantwaarde - die afhankelijk is van de activiteiten van klanten als economische actoren - en waarde welke ontstaat door co-creatie - wat de interactie vereist van twee of meer economische actoren (klant en leverancier). Deze studie toont bovendien het belang van een basisprincipe van het marketingconcept, zoals reeds door Drucker (1954) duidelijk werd gemaakt, namelijk dat het doel van een onderneming is om klanten te winnen en te behouden. Als mensen in technisch georiënteerde organisaties minder aandacht besteden aan de eigen organisatorische beslommingen en in plaats van na te denken over technische superieure oplossingen, meer nadruk te leggen op waar de klant werkelijk behoefte aan heeft en vervolgens ervoor zorgen dat er een waardevoordeel voor klanten ontstaat, dan is er potentieel veel te winnen. Indirect verwijst deze studie namelijk naar de mogelijkheden voor verbetering van het resultaat.

